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House of Representatives

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore (Mr. JOHNSON of Illinois).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 25, 2002.

I hereby appoint the Honorable TIMOTHY V. JOHNSON to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

TRIBUTE TO DAVID McLEAN WALTERS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized during morning hour debates for 1 minute.

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to pay tribute to David McLean Walters, our former ambassador to the Vatican as he celebrates his 85th birthday.

As an ambassador, Mr. Walters served our country, but as patriarch of Miami Children's Hospital, he has impacted our Nation's future.

Ambassador Walter's vision of creating a facility that provides top pediatric care for the children of south Florida has blossomed and become a reality through his tireless efforts over the past 30 years. The tragic loss of the ambassador's granddaughter to leukemia served as his impetus for expanding a small local hospital. But what began as a humble idea has developed into one of the top children's medical facilities in the country, earning the title ''Pinnacle of Pediatrics.''

Today, Miami Children's Hospital diagnoses and treats thousands of suffering children, providing them with the best possible care.

Ambassador Walters' accomplishments have assured a brighter future for our children, and, indeed, our Nation.

MEDICARE PRESCRIPTION DRUG BENEFIT

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, this morning once again, as I have so many times, I take to the floor to talk about the need for a Medicare prescription drug benefit, and I was hoping this week that I would be able to thank my Republican colleagues for finally bringing up some legislation that would at least make an attempt to address the prescription drug issue. I read, though, today in both Congress Daily as well as in The New York Times that there is a real possibility that there may be a delay in the House drug bill action until July.

Well, let me say once again, Mr. Speaker, how extremely disappointed I am to see that the Republicans, the Republican leadership in the House, continue to fiddle with this very important issue. They promised that they were going to bring up a prescription drug bill before the Memorial Day recess, then they promised they were going to bring up a prescription drug bill before the July 4th recess.

Now it seems there is a real possibility they are not going to bring it up. I hope they do, even though I think they have a terrible bill that will not accomplish anything for the American people or for America's seniors. At least if we have the opportunity to have a debate on the floor, it allows us as Democrats to bring up our substitute bill, which is a real Medicare prescription drug benefit that would lower prices for seniors.

Now, it is interesting to see why the Republicans may be having trouble bringing up their bill. I have said over and over again that the problem with the Republican proposal is it is not Medicare, it does not guarantee any benefits. What it does is throw money to private insurance companies in the hope that they will provide some sort of benefit for seniors that, unfortunately, does not have any guarantee about the scope of coverage or what the premium would be or whether there would be any benefit at all, because we know the private insurance companies say they probably will not offer this coverage.

The other problem that the Republicans have is that they do not address the issue of price at all. They have language in their bill that says that the administrator of the program cannot interfere with price in any way. Well, that seems to be the problem. That is why they are having trouble bringing up their bill.

If you look in Congress Daily today, it mentions the gentleman from Minnesota (Mr. GUTKNECHT), who says that he wants to push for inclusion of language allowing fewer restrictions on bringing FDA-approved drugs back into the country, known as reimportation.

Well, Democrats have been saying for a long time that we should allow reimportation of drugs, because that is the way of bringing costs down. But the Republicans do not want to do that. When I tried to offer an amendment that would accomplish that in the Committee on Energy and Commerce the other night, they voted against it. The gentleman from Minnesota (Mr. GUTKNECHT) goes on to say, or his spokesman I should say, ''If we do not address the cost comparison, it is like building a house without a solid foundation,'' the spokeswoman said for Mr. GUTKNECHT. So that means they are concerned about costs.

Once again, some of the Republicans seem to be unwilling to vote for this Republican bill because it does not have any cost containment. It does not control price the way the Democratic bill, in fact, would.

In fact, further on in Congress Daily it says, ''Representative JACK KINGSTON and JO ANN EMERSON plan to discuss the issue of cost at a press conference today and announce a new congressional caucus to deal with drug costs.''

Once again, the problem the Republicans have, no Medicare benefit, no real benefit at all, and no effort to address the issue of cost. That is why they are running into problems.

Today's New York Times is about the Family USA study announced yesterday that talks about how the costs of prescription drugs are going up way out of proportion to the cost of inflation. It says in the article that one conservative Republican, the gentleman from Georgia (Mr. COLLINS), has indicated that he will vote against the Republican bill; and it goes on to say that one of the Republicans, the gentleman from Oklahoma (Mr. ISTOOK), has expressed concern about the effects on pharmacies, because, as we know, the chain drugstores and retail pharmacies oppose the Republican bill, and the reason they do so is because they do not think it is going to provide any benefit and will make it harder for them to operate and provide pharmacy benefits.

So let me say I understand full well why the Republicans are having a problem bringing up their bill, because it does not deal with price, it does not address the issue of price, it is forbidden to deal with the issue of price. That is why they have the noninterference language. It does not provide a benefit.

But they should still bring it up and allow the opportunity for us to debate the bill and bring up our Democratic substitute, which is a good bill and could be considered and passed here and go over to the Senate and become law. So the fact they are having problems with their legislation does not mean that they should postpone another week or two or three or a month or who knows how long between now and November before the end of this session, because we need to address this issue. And if there are faults in their legislation, bring it to the floor and we will expose those faults and come up with a better bill, rather than just saying we are going to delay and not have an opportunity to address this issue, which is what the Republican leadership has done so far.

AGRICULTURE SUBSIDY CONCERNS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, one challenge that we have in the U.S. House of Representatives, in Congress, is the overzealousness to spend more money. Of course, the money has to come from taxpayers throughout the United States that pay taxes into the Federal system.

What many politicians have discovered is that the more programs they start and the more money they spend, the more popular they are back home and the greater the likelihood they are going to be reelected. So members of congress take new pork-barrel projects home and end up on the front pages of the paper or on television: ''Congressman such-and-such is giving you more government services.'' I think we have to remind ourselves that all of this money comes from taxpayers.

I see a lot of young people, Mr. Speaker, in the gallery; and they are the generation at risk. As we increase spending, as we increase borrowing, what we are doing in effect is increasing the mortgage, the debt, that these young citizens are going to have to pay off some day, and probably increasing the likelihood that their taxes are going to have to continue to rise as the size of government gets larger and larger.

One concern that I have that has been in a lot of the media and newspapers is the generosity of the farm bill that was passed in terms of giving million-dollar payments to many of the very, very large farmers in the United States. I met with Senator GRASSLEY last week, and we are trying to strategize how we can change that farm bill so that we have some kind of a cap, some kind of a limit on those exceptionally large million-dollar-plus payments that are going to the superlarge landowners in this country. We are looking now at the appropriation bills and language we might put in the appropriation bills.

Very briefly, Mr. Speaker, this is somewhat complicated, so we have sort of hoodwinked a lot of the American people saying, there are limits on the price support that farmers can receive. But there is a loophole. That loophole is called ''generic certificates,'' and that means that when you reach the limit on monetary price supports, you can still forfeit the grain back to the government, and the government will give you a certificate that a farmer can exchange for money, because the limits are on cash payments to farmers and certificates are not considered a cash payment. That ends up being a loophole, allowing the very large farmers to get millions of dollars in price support benefits.

Mr. Speaker, we have a system in Congress where seniority tends to rise you to the top in terms of being a committee chairman. Right now agriculture is pretty much dominated in terms of leadership by members from Texas. We have the chairman of the House Committee on Agriculture from Texas; we have the ranking member of that committee, that is the top ranking Democrat, from Texas. Also the chairman of the Committee on Appropriations Subcommittee for Agriculture is from Texas.

When it turns out that Texas is one of the top States in the Nation that uses this generic certificate, if you will, loophole, then we see great political pressure to continue that loophole provision. I am in hopes there can be a better understanding by the American people, by this Congress, of what the loophole is; and that it is reasonable to set limits on price support payments.

Our public policy should be to help and hopefully strengthen the traditional family farm in this country. That family farms might be 500 or 5,000 acres, but it is not the 80,000-acre farms.

Mr. Speaker, I would conclude by saying I am hopeful we can, in our appropriation bill, come up with some language to have an effective limitation on these exceptionally large payments that go to the exceptionally large farmers.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair must remind Members that references to persons in the gallery are prohibited by clause 7 of rule XVII.

MEDICARE PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Ohio (Mr. BROWN) is recognized during morning hour debates for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, I wanted to follow up on the comments of my friend, the gentleman from New Jersey (Mr. PALLONE), about the prescription drug industry, the unwillingness of this Congress, which is so captured by corporate prescription drug company special interests and the Republican leadership ties to those large corporate drug company interests, and why this Congress will not move forward on providing a prescription drug benefit inside America for America's seniors and doing something about the outrageous price scheme that prescription drug companies inflict on this country.

We are talking about an industry that has been one of the most profitable industries in America, return on investment, return on sales, return on equity, for almost every one of the last 20 years. We are also talking about an industry, the prescription drug industry, which has the lowest tax rate of any industry in America. We are also talking about an industry where half of the research and development that flows to new prescription drugs is given by taxpayers through the National Institutes of Health and foundations and others. Yet Americans are rewarded by paying more for their prescription drugs than people in any other country in the world.

America's seniors pay two and three times what seniors in Canada and France and Germany and Israel and Japan and nations all over the globe pay. The reason for that, Mr. Speaker, is in large part because of the lobbying force, the lobbying strength, the prowess of the prescription drug industry.

There are more than 600 lobbyists for the prescription drug industry that lobby this Congress, more than 600 people. There are very close ties between the prescription drug industry and the President of the United States. There are very close ties between the prescription drug industry and the Republican leadership in this Congress.

All you had to do was watch last week in the Committee on Energy and Commerce, watch vote after vote after vote on the prescription drug legislation, where many of us were saying we want a Medicare prescription drug benefit, we wanted to do something about prices, we believe that senior citizens should have as good a benefit as Members of Congress. Every amendment we had to do that, Republicans down the line in every case voted no.

I had an amendment to the legislation that said no senior should get a prescription drug benefit less than any Member of Congress. That was voted down on a party-line vote. Other Democrats had amendments to try to control prices, to try to bring prices down, to try to bring competition into the prescription drug business so we would see prices drop. Those were voted down on party-line votes. But when it came to subsidizing insurance companies for prescription drug benefit, that is what the Republicans supported.

Let me compare the two pieces of legislation, the Democratic plan and the Republican plan; and you can see the influence that the prescription drug industry had over Republican leaders.

The Democratic plan has a $25-a-month premium. The Republican plan has a premium that will be set by the insurance companies, somewhere between $35 and $85 a month. The Democratic plan had a $100 deductible. The Republican plan had a deductible, again set by the insurance industry, but probably upwards of $250.

The Democratic plan had for the first $1,000 of costs, out-of-pocket costs for seniors, they would only pay 20 percent, the first $1,000; 20 percent of the second $1,000; and the government would pick up the cost beyond that. In the Republican plan, the seniors will reach into their pockets and pay thousands of dollars more than under the Democratic plan.

As the gentleman from New Jersey (Mr. PALLONE) said earlier, the Republican plan does nothing to restrain prices so that Americans will continue to pay two and three and four times for their prescriptions what people in every other country in the world pay.

Now, not coincidentally, last week we stopped our markup in the middle of the day one day so the Republican Members could go to a fundraiser underwritten by the prescription drug industry. The Chair of the fundraiser was the CEO of a British prescription drug company GlaxoWellcome. He and his company contributed $250,000 to get Republicans elected to Congress. Other drug companies gave $150,000 and $250,000 to this event.

The next day after this event, which raised millions and millions of dollars for Republicans, millions of which, several hundred thousand, millions of which actually came from drug companies, the next day this committee voted down the line over and over again, with Republicans supporting the drug industry.

It should come as no surprise as you watch this drug debate unfold this week, or maybe when we come back through the month of July, you will see Republicans continue to do the bidding of the prescription drug industry. That is one reason the Democratic plan should pass, which is written for and by seniors over the Republican plan, which is written for and by the drug companies.

TAX CUTS BENEFITING AMERICANS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Mr. Speaker, just a brief response to my friend from Ohio's partisan comments. It is always interesting that some will criticize campaign contributions, when their own party has solicited and accepted campaign contributions from the same industries or interests. So hypocrisy is nothing new in Washington D.C.

Mr. Speaker, I want to talk this morning about an issue of fairness, fundamental fairness. Let me begin by just drawing attention to what we in Washington and around the country call the Bush tax cut.

Last year, with the leadership of the House Republican majority, we passed through the House and Senate, and the President signed into law, an across-the-board tax cut that cut taxes for every American. Over 100 million Americans saw their taxes lowered. We eliminated the death tax, the marriage tax penalty, and we made it easier to save for retirement and for college education.

Unfortunately, because of a quirk in the rules of the archaic rules of the other body, that tax cut had to be temporary. As we debate various issues before the Congress, it is always interesting that in the Congress historically it has been easy to raise taxes permanently, it has been easy to increase spending permanently, but it is very difficult to cut taxes permanently.

Today I want to talk a little bit about one issue that I have been very involved in, an issue of fairness, and that is, is it right, is it fair that under our Tax Code millions of married working couples where a husband and wife are both in the workforce and because they are married, they pay higher taxes? We call it the marriage tax penalty.

On average, the marriage tax penalty today is about $1,700. Where you have a husband and wife both in the workforce, they pay on average about $1,700 in higher taxes just because they are married. We thought it was wrong that under our Tax Code society's most basic institution, which is marriage, was being punished.

I have a couple here that is from the district that I represent, Jose and Magdalena Castillo, their son Eduardo, daughter Carolina. They live in Joliet, Illinois. They are laborers, construction workers.

In the case of Jose and Magdalena Castillo, prior to the Bush tax cut being signed into law they paid about $1,150 more in higher taxes. The reason that a married couple where you have both the man and the woman in the workforce and your taxes are higher because you are married is because, in the case of Jose and Magdalena, like millions of other married working couples, they file jointly, which means that you combine your income. That pushed them into a higher tax bracket and cost them $1,150 in higher taxes.

In Joliett, Illinois, $1,150 is several months' worth of car payments; it is several months of daycare for Eduardo and Carolina while mom and dad are at work. It is real money for real people.

I was proud that one of the centerpieces of the Bush tax cut this past year, signed into law last June by President Bush a little over a year ago, was our legislation to eliminate and wipe out the marriage tax penalty.

Unfortunately, because this provision was temporary, unless we make permanent the elimination of the marriage tax penalty, that we make permanent the Bush tax cut, 36 million married working couples, like Jose and Magdalena Castillo of Joliet, Illinois, will see their marriage penalty come back, where they are going to end up paying higher taxes just because they are married. The Congressional Budget

Office estimates that 36 million married working couples will see a tax increase of almost $42 billion unless Congress makes permanent our effort to eliminate the marriage tax penalty.

I was very proud, just 2 weeks ago this House of Representatives voted overwhelmingly in a bipartisan way to make permanent the elimination of the marriage tax penalty. Every House Republican voted ''yes,'' and even though the Democratic leadership argued against our efforts to eliminate the marriage tax penalty, 60 Democrats broke ranks with their leadership and joined with House Republicans to vote to make permanent our effort to eliminate the marriage tax penalty.

My hope is both the House and Senate will be able to accomplish elimination of the marriage tax penalty permanently and that we will be able to get this legislation to the President this year. It is a priority.

When you think about it, in Washington, D.C., the marriage tax penalty suffered by Jose and Magdalena Castillo of $1,150, that is pennies. That is chump change in Washington, D.C. But to the real people back home, in the south Suburbs of Chicago, in Joliet Illinois, $1,150 is real money. In the case of Eduardo and Carolina, for their children they could set that money aside for their college education in education savings accounts.

Mr. Speaker, let us eliminate the marriage tax penalty permanently; and let us hope the Senate joins with the House, that we do it in a bipartisan way and get it done this year.

HELPING SENIORS WITH PRESCRIPTION DRUG COSTS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Florida (Mr. FOLEY) is recognized during morning hour debates for 5 minutes.

Mr. FOLEY. Mr. Speaker, I commend the gentleman from Illinois on his excellent advocacy to eliminate the marriage tax penalty. It is a perverse thing in the Tax Code that would have us tax marriage, and I am glad we are successfully removing that barrier from families so they can spend more of their disposable income on their children, rather than sending it here to Washington.

I am quite perplexed with the statements made earlier by the gentleman from Ohio relative to Medicare and prescription drug coverage. Regrettably, rather than talking substance, they talk political attack.

I come from Florida, the seventh largest senior population of all 435 districts, my 16th Congressional District based in West Palm Beach, Florida.

Seniors care about Social Security, seniors care about Medicare, and seniors do care about prescription drugs. But rather than having a fair and full debate on these very important programs, the minority of this House chooses instead to demagogue and demean, disparage and create basically smoke screens.

Now, for 40 years they ran this place, and never once did they offer prescription drug coverage. In fact, their party was the one that actually put in a penalty to Social Security recipients by taxing their Social Security income. And yet they talk that they are ''senior-friendly'' and here to do the ''people's work.''

They raise issues like fundraising. The gentleman from Ohio suggested we did not deal with the very important bill because the Republicans were at a fundraiser. Well, let me underscore that our committee, the Committee on Ways and Means and the Committee on Energy and Commerce worked and labored mightily to produce a bill that will provide prescription drug coverage. No fundraiser interfered with our pursuit of this important dialogue on behalf of America's seniors.

Now, I have to chuckle because the party that advocated campaign finance reform, the ones that made it the centerpiece of their campaign attacks, the ones that said it was the most important piece of legislation ever to be voted on in this House, were the first ones to advance arguments against the very law that they passed. They were the first ones to send lawyers down to the Federal Election Commission to try and find loopholes in campaign finance reform so that they could continue to raise their gross excess sums of money.

Rather than point fingers and start having a dialogue on campaign finance reform, I would prefer we talk about the things that matter to seniors, and that is a bill that we have on this floor. Seniors in my district are not greedy. Seniors in my district realize for a plan to work it must function fairly and equitably. It must not tax the Medicare system beyond its capacity.

In addition to Medicare prescription drugs, we still have to provide home health care, nursing home care and hospitalization. We also have to provide a myriad of other services under Medicare for our seniors, our most vulnerable.

They talk as if it is a one-size-fits-all, pass prescription drugs and the world goes on and lives happily ever. Their plans costs $900 billion over 10 years. In their own budget documents, they do not even have the money provided for this giveaway program that they suggest is important.

Seniors need help with prescription drugs, and we are providing it. We are not trying to buy votes for the next election; we are trying to provide a plan that provides the poorest seniors, the sickest seniors, and helps every senior with their drug plan. The Committee on Ways and Means spent a lot of time and effort in providing this drug opportunity.

I would suggest that if Members of the other side of the aisle really want to engage in concrete debate, rather than having objections and motions to rise and motions to table and motions to adjourn, we have gone through that charade on many important bills on this floor, they sit there and repeatedly stop the work process on this floor because their nose is out of joint about some little issue, and then they wonder why we do not have things on the floor to vote on. If they quit moving to rise, we may stay long enough to consider the very important debate.

My grandmother came from Poland. She was a maid in a Travel Lodge Motel. She cleaned 28 rooms a day. She died at the age of 88 with $10,000 in the bank, her life savings. She desperately depended on Medicare, and she desperately depended on Social Security; and in her memory I am on this floor, as I am in committee, fighting to preserve those two fundamental programs, as well as adding a very important key piece to that puzzle, which is prescription drugs.

It is shameful the way the other side of the aisle conducts the debate on this issue. Rather than talking intelligently to seniors and talking about relief for prescription drugs, they demagogue and scare seniors, scaring seniors. It would be a crime, if it was not so sad, that they sit there and tell seniors that somehow our party does not care about them. I can assure you we do, we care deeply.

Republicans will deliver a plan that meets the test of time and meets the test of seniors.

PROVIDING MODERN MEDICARE BENEFITS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Wisconsin (Mr. RYAN) is recognized during morning hour debates for 5 minutes.

Mr. RYAN of Wisconsin. Mr. Speaker, I wanted to follow up on what my colleague, the gentleman from Florida (Mr. FOLEY), was talking about, and that is this week we here in Congress are considering a prescription drug benefit. But we are doing much more than that; we are working on trying to fix Medicare.

Mr. Speaker, it is very important that we realize that when Medicare was created in 1965, it was created at that time to provide comprehensive health care for all seniors over the age of 65. That was the goal of Medicare. It is a good goal.

But the problem we face today is in the year 2002 seniors on Medicare are getting 1965 health care. They are not getting the year 2002 health care, because in 1965, we did not have all these wonderful health care technologies. We did not have all these breakthrough prescription drugs. Then it was a take-two-aspirin-and-call-me-in-the-morning kind of society. So Medicare reimbursed people if they needed a procedure, if they needed an operation; and that is how Medicare works today.

So what you have seen occur over time is as health care technologies

have developed, as we have pioneered pharmaceutical developments and come up with all these breakthrough drugs to make our lives healthier and to make our lives longer, you have seen a big source of cost shifting occurring. So if you need surgery, in many cases today you can have a prescription drug that will help you avoid that surgery, except for the fact that Medicare does not pay for that.

So here is what is happening today. Seniors are forced to pay for their own drugs, even though if we were to redesign Medicare today we would obviously have prescription drug coverage as a key component of Medicare. So while Medicare waits until you are sick and then pays for your surgery or your procedure, we could save the government a lot of money and make people much healthier if they had a drug benefit within Medicare to help manage their disease, manage their illness, and prevent chronic illnesses from occurring in the first place. That is what Congress is trying to do today.

Mr. Speaker, now that we all agree, and I think you can safely say, I think, that Democrats and Republicans agree that we need to modernize Medicare, we need to improve it with a prescription drug benefit and make the system comprehensive again, like we tried to do in 1965, and make it comprehensive in such a way that Medicare continues to evolve with the times, so 10 years from now in the year 2012 we are not scratching our heads saying ''Gol-darn it, Medicare is only giving people 2002 medicine, and it is 2012 and we need to have the year 2012 medicine.'' That is a very important point in this debate. We need to set up Medicare so it grows with the times; so it adds new benefits and evolves as health care technology evolves.

Mr. Speaker, where we are in the difference of debate between the two aisles here today, between the two different approaches on the Democrat side of the aisle and the Republican side of the aisle, is this: on the Republican side of the aisle, we recognize that two-thirds of America's seniors already have some kind of drug coverage or another. About a quarter of the seniors in America today already have their drugs paid for by their former employers. It is a part of their retirement benefit. We want to make sure that we are not going to make someone pay for a benefit that they already have.

We also want to make sure that taxpayers, that the government is not going to unnecessarily pay for a benefit that the private sector is already paying for.

That is a different problem with the Democrat plan. Their plan is a universal government monopoly, one-size-fits-all plan. It is a take-it-or-leave-it, one-plan plan, and what the consequence of that will be is it will displace all that private sector-provided health care benefits. All those private sector-provided drug plans will now be displaced and taken up by Medicare and the taxpayers.

The way we look at it is this: if a former employer is paying for the drugs of their retirees, why should the government tell them, do not bother paying for your retiree's retirement benefit because the government and taxpayers are going to pick it up?

What we want to do is this: we want to make sure that everybody on Medicare has access to a comprehensive drug coverage plan, but we do not want to force them into the government plan. We want seniors to have a choice of plans that can fit their need and their benefit. It should be voluntary. If you already have a comprehensive benefit, you do not have to take this plan; and you should be able to get a plan that fits your need.

That is what we accomplish. We have catastrophic coverage for all seniors that kicks in at $3,800. We have co-insurance on the first $2,000 of drugs. The one advantage that the Republican plan has that the Democrats do not is that we achieve deep discounts in prices of all drugs for senior citizens.

Mr. Speaker, I urge passage of our plan. I think it is a superior plan. I think it does more to extend the solvency of Medicare, so we can save this program for the baby boomers. The alternative plan on the other side of the aisle actually brings the insolvency of Medicare up earlier, it is irresponsible, it bankrupts Medicare and forces seniors into a one-size-fits-all government plan and displaces private sector involvement in Medicare.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until noon.

Accordingly (at 11 o'clock and 7 minutes a.m.), the House stood in recess until noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. QUINN) at noon.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God of heaven and earth, with each new day You call us to arise to full stature as we awake from sleep. While asleep we were all held in common, heaving in and out the breath of life and protected in the shadow of Your hand. But now arisen, we approach with individuality and diversity the challenge of life before us.

While asleep, rich and poor alike are restless over selfish cares in a relative world. Now brought together in the light of day, Your people are summoned to reality and called to work together for the common good of all.

May the House of Representatives be blessed in its work today, seeking diverse responses to commonly defined problems. Let there be no waste of human effort, of allotted resources or precious commodity of time as the people of this country unite in the alleviation of the suffering of many and in the endeavors of equal justice and equal opportunity for all, now and forever we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GIBBONS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GIBBONS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from South Carolina (Mr. WILSON) come forward and lead the House in the Pledge of Allegiance.

Mr. WILSON of South Carolina led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

IMPROVING ACCESS TO PHYSICIANS IN MEDICALLY UNDERSERVED AREAS ACT

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, today I rise to support H.R. 4858, the Improving Access to Physicians in Medically Underserved Areas Act introduced by my good friend and colleague, the gentleman from Kansas (Mr. MORAN).

As the representative of the Second District of Nevada, I represent an area of over 100,000 square miles, including every rural community in the State, and I know all too well how difficult it is to recruit doctors and nurses to these areas. One program which has assisted our State in recruiting doctors to Nevada is the J–1 visa program.

H.R. 4858 reauthorizes the J–1 visa program and increases the number of

visa waivers for international medical graduates that a State may request from 20 to 30. Rural Americans deserve access to quality health care, and the J–1 visa program helps to achieve this goal. In fact, thanks to the J–1 visa program, over 60 doctors have come to Nevada over the past few years to practice medicine in underserved areas.

I encourage all of my colleagues to support the successful program and vote for H.R. 4858.

THE PRESIDENT'S MIDDLE EAST SPEECH

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, I commend the President's speech on the Middle East, and I strongly support his vision. In calling for new Palestinian leadership and democratic reforms, the President has announced the end of the Arafat era.

Never has an end been so richly deserved. Having been handed an opportunity after an opportunity, Yasser Arafat has led the Palestinians to death, murder and destruction. Now, as President Bush made clear, it is time for the Palestinians to choose a new leader, a new type of leader, nonviolent, democratic and noncorrupt, if there is to be hope for peace.

Every American agrees that the nations committed to peace must oppose regimes that support terror, nations such as Iraq and Iran, and that the dictatorship in Syria, whose foreign minister last week defended suicide bombers by saying ''they have a right to their opinion,'' must once and for all close all terrorist camps and expel all terrorist organizations not only from Syria but from Lebanon it illegally occupies.

As for the Palestinians, Mr. Speaker, if they reject the culture of death and embrace the President's prerequisites for peace by electing new leaders, building democracy, ending anti-Israel incitement, committing to nonviolence, and destroying their terrorist infrastructure, I shall fight as hard as I can for the President's program, including humanitarian assistance for the Palestinian people.

ENERGY

(Mr. REHBERG asked and was given permission to address the House for 1 minute.)

Mr. REHBERG. Mr. Speaker, I rise today to urge those across the aisle to once and for all end their negative rhetoric and support a comprehensive energy plan for America's future. I understand that there are those that would have the United States continue to import almost 60 percent of our oil from many of the very same terrorist-sponsoring regimes our sons and daughters are bravely fighting today. I, however, will not.

Mr. Speaker, I have an 18-year-old son; and I will do everything I can to not allow this Congress to place him and thousands of other young boys and girls in harm's way simply to appease a few extremist groups here in Washington. The President's energy plan balances the needs of our environment while recognizing that America must develop our domestic sources of energy if we are to truly be an independent nation.

I urge my colleagues to support American independence through the passage of H.R. 4.

MEDICARE PRESCRIPTION DRUG BENEFIT

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, Republicans are telling us repeatedly that seniors deserve better prescription drug options like those available to Members of Congress. I wholeheartedly agree, but it is difficult to see how a Republican plan that requires seniors to go outside of Medicare and purchase inferior HMO-like private drug insurance would deliver such coverage.

According to the nonpartisan Congressional Research Service, the Republican plan is 40 percent less valuable than the coverage offered to Members of Congress. During last week's markup, I offered an amendment that would have replaced the standard coverage in the Republican bill with the same coverage under the Federal health benefits program that Members of Congress receive. But the night before our amendment was offered, Republicans adjourned early so they could attend a $30 million fund-raising dinner underwritten by America's drug companies. The CEO of GlaxoWellcome, a British pharmaceutical company, gave $200,000 to the GOP that night and chaired the event.

When the markup resumed the next day, it came as no surprise when Republicans voted the amendment down, meaning this week Congress will be forced to vote on legislation that will give seniors less than Members of Congress have.

SPREADING AWARENESS ABOUT ALZHEIMER'S DISEASE

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, Alzheimer's disease affects 4 million Americans, and that number is expected to triple within the next 50 years. Nearly half of those over the age of 85 have Alzheimer's. It is a disease that touches almost every American family in some way, and I believe it is time to increase funding for Alzheimer's research to find a cure.

The disease process can begin in the brain as many as 20 years before the symptoms appear; and, once diagnosed, a person's average life-span is 8 years. Due to lost productivity of employees who are caregivers and the health care costs associated with Alzheimer's, the disease costs American families more than $61 billion annually.

South Carolinians are particularly concerned about Alzheimer's because one of our favorite sons, former Congressman and Governor Carroll Campbell, is undergoing treatment for the disease and is being encouraged by his devoted wife Iris with his sons Carroll, Jr., and Mike.

I would like to commend the efforts of the Coastal Carolina, Mid-State and Upstate chapters of the Alzheimer's Association along with the Alzheimer's facility of the Lexington Medical Center. These South Carolinians have worked tirelessly to spread awareness about this disease, and their efforts today to find a cure will hopefully save many Americans in the future.

THE IRONY IN PRESCRIPTION DRUG AND DEBT LIMIT ISSUES

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, Congress is faced with two difficult votes coming up. One is to start a prescription drug program for seniors. The other is to increase the debt limit. I see a certain degree of irony in the fact that, while we are increasing the debt, or, if you will, the mortgage on our kids for them to pay off in the future, at the same time we are voting to expand and implement the largest, most expensive entitlement program that we have had in many, many years. It is a challenge. But everybody needs to realize that it is going to be the young workers, that sometimes are in a more difficult financial situation than the seniors, that are going to have to pay increased taxes for a giant increase in the Medicare program and the cost of increased debt. In other words taxpayers pay for the prescription drugs for seniors.

It is coming to grips with that irony that is the challenge; I think we need to move very carefully in our decisions of what new welfare programs we enact and how we pay back the increased debt.

PARTIAL-BIRTH ABORTION BAN

(Mr. ADERHOLT asked and was given permission to address the House for 1 minute.)

Mr. ADERHOLT. Mr. Speaker, I am proud to join with 83 Members of Congress in cosponsoring H.R. 4965, the Partial-Birth Abortion Ban Act. I commend the gentleman from Ohio (Mr. CHABOT) for sponsoring this legislation. The time has come for us to take a firm and decisive stand against this deplorable procedure.

I have cosponsored two previous Partial-Birth Abortion Acts, in 1997 and

again in 2000. The measure passed the House by overwhelming votes.

On June 28, 2000, almost 3 months after the House last voted on the partial-birth abortion ban, the Supreme Court struck down a Nebraska ban on partial-birth abortions in the Stenberg case. And so once again we are here to stand and to fight against this violent and crude procedure.

The Congress' last attempt to ban partial-birth abortions failed, but we must continue to do everything we can to save innocent lives. So many of us here in the House and the Senate and all across America want to see this legislation passed into law, not to trample on the rights of any individual as some would say. We want this legislation to pass to become law simply to protect the lives of the innocent.

This afternoon I would urge my colleagues to join with me in cosponsoring this important piece of legislation that will save the lives of many, many and let our common goal be to protect the lives of mothers and infants.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. QUINN). Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes may be taken in two groups, the first occurring after debate has concluded on H.R. 4679, and the second after debate has concluded on the remaining motions to suspend the rules.

IMPROVING ACCESS TO PHYSICIANS IN MEDICALLY UNDERSERVED AREAS

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4858) to improve access to physicians in medically underserved areas.

The Clerk read as follows:

H.R. 4858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WAIVER OF FOREIGN COUNTRY RESIDENCE REQUIREMENT WITH RESPECT TO INTERNATIONAL MEDICAL GRADUATES.

(a) INCREASE IN NUMERICAL LIMITATION ON WAIVERS REQUESTED BY STATES.—Section 214(l)(1)(B) of the Immigration and Nationality Act (8 U.S.C. 1184(l)(1)(B)) is amended by striking ''20;'' and inserting ''30;''.

(b) EXTENSION OF DEADLINE.—Section 220(c) of the Immigration and Nationality Technical Corrections Act of 1994 (8 U.S.C. 1182 note) is amended by striking ''2002.'' and inserting ''2004.''.

(c) TECHNICAL CORRECTION.—Section 212(e) of the Immigration and Nationality Act (8 U.S.C. 1182(e)) is amended by striking ''214(k):'' and inserting ''214(l):''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if this Act were enacted on May 31, 2002.

□ 1215

The SPEAKER pro tempore (Mr. QUINN). Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4858, the bill currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4858 extends authority for a visa-requirement waiver that permits certain foreign medical doctors to practice medicine in underserved areas without first leaving the United States. The bill also increases the number of foreign residence waivers from 20 per State to 30 per State.

Aliens who attend medical school in the United States on ''J'' visas are required to leave the United States after graduating to reside abroad for 2 years before they may practice medicine in the United States. The intent behind this policy is to encourage American-trained foreign doctors to return home to improve health conditions and advance the medical profession in their native countries.

In 1994, the Congress created a waiver of the 2-year foreign residence requirement for foreign doctors who commit to practicing medicine for no less than 3 years in the geographic area or areas, either rural or urban, which are designated by the Secretary of Health and Human Services as having a shortage of health care professionals. The waiver limited the number of foreign doctors to 20 per State so that underserved areas in all States receive doctors. The original waiver was set to expire on June 1, 1996. The Congress extended the waiver to June 1, 2002.

States with underserved medical areas worry that health facilities in such areas will have to close down if the authority for these medical waivers is not extended. The States have also requested additional waivers so that they have more doctors to help keep their clinics open.

Mr. Speaker, H.R. 4858 increases the numerical limitation on waivers requested by States from 20 per State per year to 30 per State per year. It also extends the deadline for the authorization of the waiver to June 1, 2004. The bill retroactively takes effect May 31, 2002, prior to the waiver's expiration.

I urge my colleagues to support this bill so that urgently needed doctors may continue to practice medicine in areas that are in critical need of medical care.

Mr. Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

I thank the distinguished chairman of the Committee on the Judiciary. I would like to offer my support for this legislation.

I offer my support for this legislation with a qualification, recognizing that this legislation did not come before the Subcommittee on Immigration and Claims and was marked up in full committee. I believe the importance of this legislation was such that deviation from regular order and committee procedures was to be understood. So I rise in support of this legislation, a bill that will help provide underserved areas with needed health care providers.

As my colleagues know, there are many inner city and rural areas in dire need of doctors, and this program will allow a limited number of foreign doctors the opportunity to practice in America. In working on this legislation, I worked with Members and colleagues from both rural and urban areas, and their advocation for this showed the dire need for those who are in underserved areas.

The bill was introduced by the gentleman from Kansas (Mr. MORAN); and many of our colleagues from the rural areas and, as I said, inner city areas, have asked for this legislation to be in place.

Mr. Speaker, H.R. 4858 reauthorizes the Conrad 20 program until May 31, 2004. The reauthorization is retroactively effective to May 31, 2002, as that was the date of the expiration of the program and also noting the ending of the involvement of the USDA. The bill also includes a modest increase in the number of eligible foreign physicians. That number goes from 20 to 30 based upon a survey showing the need.

Might I note that the Texas Primary Care Office, certainly a State of which I come from that recognizes the importance of serving in rural areas and inner city areas, surveyed all 50 States on the use of the J–1 visa. Upon the USDA announcement that they were ending their participation, the PCO again surveyed the States and, as a result, the most recent survey by the PCO, every State but two, indicated that they are or are intending to put in place a Conrad 20 program, which would utilize the J–1 visas.

Under current immigration law, a ''J'' visa is available to foreign physicians as an exchange visitor if the person meets certain requirements, including the intention to return to his or her home country, participation in an exchange visitor program designated by the U.S. Information Agency, and participation in a program that is intended to train foreign nationals in a field that can be utilized in the person's home country, and sufficient funds and fluency in English. They are limited in the number of visas of a 2-

year residency requirement available to foreign physicians.

In particular, a foreign physician may obtain a waiver through a recommendation issued by an interested State or Federal agency interested in facilitating the physician's employment in a designated medically underserved area.

Until recently, the USDA, as I indicated, participated in this program. However, back in late February, citing security concerns, the USDA announced that they were no longer going to act as an interested government agency in processing J–1 visas. Now the role of recommending J–1V visas rests primarily with the State agencies.

I want to ensure, however, that as we work with the INS, that the INS certainly will be involved in providing assistance as it may be needed. This is an important aspect of the question of homeland security, and I would hope this legislation does not in any way suggest to the American people that we attempt to jeopardize security and/or would not be concerned in light of the Federal oversight agency, the USDA, no longer being involved in those programs. Rural communities still need health care, urban centers still need health care; in fact, Americans need health care.

It is interesting to note, Mr. Speaker, the fast pace at which this legislation has come. Again, I would like to thank the proponents of the legislation, and they have my support, but certainly I would be remiss if I did not mention the fact that we are about to address the question dealing with Medicare and the particular provisions to provide senior citizens with efforts to give them a Medicare drug benefit.

I am hoping that as we came together in a bipartisan manner to support this legislation, as I indicated that I support, that we can look seriously at the Democratic proposal. That is a serious proposal that provides a deductible and a $25-a-month premium and provides for an 80 percent coverage for Medicare benefits for our seniors. This is the kind of work we should be doing in the House of Representatives. This is the kind of serious legislation that we should be doing and not attending to special interests and harming the particular senior citizens that we are trying to protect.

So, with that, Mr. Speaker, let me support this legislation and hope that my colleagues in a bipartisan manner will likewise support this legislation so that we can have good health care, protected health care in this country.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas (Mr. MORAN), the author of the bill.

Mr. MORAN of Kansas. Mr. Speaker, I thank the gentleman from Wisconsin and the gentlewoman from Texas for their remarks earlier today; and I would like to thank them, as well as the gentleman from Pennsylvania (Mr. GEKAS), the subcommittee chairman, that dealt with this issue for their prompt attention to an issue that is terribly important to rural America and urban America as well. It is good to see us come together, Republicans and Democrats, urban and rural, on behalf of health care for our citizens.

Much of our time, in fact, this week much of our time will be spent on the affordability of health care. How do we help our citizens pay for it? How do we make health care more affordable? Many of us who live in regions of the country that are underserved struggle to have access to health care. How do we keep physicians in our communities? How do we keep our hospital doors open? How do we have our other health care providers available for the citizens who happen to live in the urban core of the city or in a rural community of our country?

One of the ways that we can help address the issue of physicians in underserved areas is the J–1 visa program. Clearly, it has been an opportunity for physicians to remain in the United States and serve in those underserved areas during the history of the program beginning in 1994. There are 98 physicians in Kansas who were waived under this program. Of those, 50 are still practicing in our State.

Mr. Speaker, this is often the only opportunity that a community, a clinic, or a hospital in a rural or underserved urban area has to access a physician. I would guess in the 6 years that I have been a Member of Congress, probably not more than 4 weeks goes by that I do not have a call or letter or e-mail from a clinic, a community, or a hospital saying, can you help us locate a physician and can you help us with the paperwork associated with the J–1 visa.

These are ways in which our communities are served. Lacrosse, Kansas, population 1,800 has had a J–1 visa physician in place who is now retiring. He and his wife are the only physicians in the community. They are both here on a J–1 visa. For 2 years they have been telling the community they are retiring. The community has been looking for a physician and, gratefully, they found a J–1 visa physician.

They may have been the last J–1 visa granted in the United States. Back in February of this year, the Department of Agriculture concluded that it would no longer be an interested government agency for processing J–1 visas.

The Rural Health Care Coalition, which I chair with the gentleman from North Carolina (Mr. MCINTYRE) and I tried to quickly respond to this issue. In fact, 56 Members of Congress, including the gentleman from Nebraska (Mr. OSBORNE) and the gentleman from Texas (Mr. STENHOLM), who are here today, asked the Bush administration to come together and to solve the problem. Because there are two ways a J–1 visa can be issued, one through the Federal Government and one through the State program. Forty-six States in our country has a State program. Kansas is one that does not, although we are certainly encouraging them under the current circumstances to create a State program.

Today, we reauthorized both programs. The Bush administration and the Department of Agriculture, I am very grateful to them, they responded. They processed the J–1 applications that were in the works; and they decided to have an inter-government agency meeting, a set of meetings, between INS, the State Department, the Department of Agriculture, the Department of Health and Human Services to figure out how do we continue the J–1 visa program.

So this actually is an experience in the 6 years I have been in Congress in which I thought government responded in a way that it should to meet the needs of citizens of our Nation.

So today I am here to support strongly the reauthorization of the J–1 visa program, to continue to encourage the Federal Government to be engaged in the process of helping us sponsor J–1 visa physicians and to particularly reauthorize the program for States and to expand the number of individual physicians that can be admitted under the State program from 20 a year to 30 a year to meet the needs in the absence of a Federal interested government agency of rural communities across our country.

The program is important. It is the way that health care is delivered in rural and urban settings across our country. Access to a physician is so important, and it ought not matter where you live. This program has worked. Security and other concerns with the program are being addressed, and we have general support from the Bush administration and from the INS and from the State Department as we reauthorize this program, both at the Federal level and at the State level.

I appreciate the Rural Health Care Coalition and my colleagues in Congress who care about these issues; and I appreciate the fact that Republicans, Democrats, and urban and rural Members of Congress came together on behalf of citizens and the delivery of health care to those citizens here on the floor this afternoon. I urge my colleagues to support this legislation. I thank again the chairman and the ranking members for their continued consideration of this issue and their promptness in moving it.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman from Kansas for his leadership on this issue, and I thank him for the very important statement of having Americans have access to good health care. That is why I remind my colleagues of the importance of ensuring that we have an effective Medicare prescription drug benefit that clearly is fundable and clearly

is supportable by the seniors who need it very much.

Mr. Speaker, I am delighted to yield 5 minutes to the distinguished gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I thank the gentlewoman for yielding me this time.

I rise in strong support of H.R. 4858, which I have been pleased to work on and cosponsor with the gentleman from Kansas (Mr. MORAN). I thank the gentleman from Wisconsin (Mr. SENSENBRENNER) for bringing the bill to the floor today.

Mr. Speaker, H.R. 4858 reauthorizes and expands the State Conrad 20 program. The 2-year reauthorization allows States to continue to act as an interested government agency in order to sponsor foreign-born doctors to practice in medically underserved areas. The number of doctors that can be sponsored per State is expanded from 20 to 30.

Since the mid-1990s, 42 States and the District of Columbia have been using the Conrad 20 program, processing an estimated 595 physicians per year.

□ 1230

However, the demand for doctors continues to grow. Despite a continuing population migration to urban and suburban communities throughout the State, the vast majority of Texas remains rural, posing unique challenges to the delivery and accessibility of high-quality health care. Not only are health care services likely to be unevenly distributed, but many rural residents do not even have access to a local doctor, primary care provider, or hospital.

Regrettably, a doctor would diagnose the health care problems in rural communities as chronic and persistent. The issues are not new, and we have tried a variety of medicines to remedy these problems, but we still have a long way to go before we achieve a healthy rural America.

Consider the following state-wide facts: 77 percent of Texas counties are considered rural, and 88 percent of these are considered medically underserved; 2.9 million people, or 15 percent of the State's 19.6 million residents, reside in nonmetropolitan counties; 25 rural Texas counties have no primary care physician; an additional 29 counties have only one; only 11 percent of licensed primary care physicians practice in rural areas.

For other health professionals, the figures are similar: pharmacists, 11.9 percent; physician assistants, 18 percent.

Access to primary care promotes appropriate entry into the health system and is vital to ensure the long-term viability of rural health care delivery. Without access to local health care professionals, rural residents are frequently forced to leave their communities to receive necessary treatments. Not only is this a burden to rural residents, who are often older or lack reliable transportation, but it drains vital health care dollars from the local community, further straining the financial well-being of rural communities.

It is imperative that we identify and expand those programs that provide physicians, pharmacists, nurses, dentists, and physician assistants incentives to practice in rural areas. The J–1 visa waiver program was expanded in 1995, allowing medical exchange graduates in U.S. residency training to extend their stay for 3 years, provided they practice in an underserved community.

For certain rural, as well as urban, areas in the United States, the J–1 docs have been key providers. Since 1995, Texas alone has received the services of over 350 J–1 physicians. This represents service to a population of over 1 million people. One million people have received health care that they would not otherwise have received, or at least it would have been more difficult to receive, as a result of this program that we reauthorize today.

However, on March 1, 2002, USDA made a unilateral decision to stop acting as a sponsor for international medical graduates in rural health services. Everyone involved in this program, starting with the Department of Public Health of every State, to the health care facilities who are desperately waiting for their recruited physicians to start work in their rural communities, to the doctor who needed the waiver to start work and have legal status, were shocked to learn of the elimination of this vital program.

Through the quick efforts of the Rural Health Care Coalition, we were able to convince USDA at a minimum to process those doctors who already had an application pending. While I am pleased with USDA's decision to take a second look at the program, the affected health care facilities have lost several critical months during which they could have had a physician filling that void in their community.

However, I would like to take this opportunity to encourage USDA, the State Department, and the INS to expedite those pending applications to the best extent possible, as our rural communities are in dire need and deserve every opportunity to access medical care. The J–1 waiver program is considered a lifeline for rural communities all over the United States.

In the 17th district of Texas that I have the privilege of representing, I have three hospitals awaiting approval for a J–1 doctor: Fisher County Hospital in Rotan, North Runnels Hospital in Winters, and the San Angelo State School in San Angelo. These are doctors whose applications were pending at the time of the decision to stop the program.

Coordination among agencies involved to expeditiously process these applicants has reached a critical stage in my district, as I am sure it has in many rural areas across the country. I am hopeful through the efforts of the Rural Health Care Coalition and the White House task force formed to look into reinstating the J–1 program, we can develop a workable plan to meet the ever-growing needs of access to quality health care in rural America.

However, until we have an alternative solution at the Federal level, there is no other sponsorship program that can fill the void for our rural communities other than the Conrad 20 program. I urge my colleagues to support H.R. 4858 in an effort to fill that void.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. OSBORNE).

Mr. OSBORNE. Mr. Speaker, I would like to express my support of H.R. 4858, introduced by my good friend, the gentleman from Kansas (Mr. MORAN).

I am very pleased to be a cosponsor of this legislation, along with the gentleman from Kansas and the gentleman from Texas (Mr. STENHOLM), who recently spoke. All of us serve sparsely populated rural areas. There are a lot of small towns with great distances between these towns.

It is very, very difficult in these areas to recruit doctors. Usually in these types of communities there is only one doctor, and usually that doctor is the only doctor for many, 30, 40, or 50, miles. So the problem is that the doctor knows when he goes to that community that there is not going to be any rotation, and that doctor is always on call at 2 o'clock in the morning, 6 o'clock in the morning, late at night, whatever.

So, number one, it is difficult to find somebody that will answer that call. Then once you get somebody who will agree, oftentimes it is even more difficult to recruit that doctor's spouse, because in those communities there is no shopping center, there is no symphony, there is no major league sports team in any close proximity. So to get that combination of a doctor and the spouse that will come to that type of community is very difficult.

When a small town loses a doctor, then it loses its hospital and then begins to lose young people, because young people with children usually do not want to be in a community where there is no hospital or no doctor. The community very rapidly begins to unravel.

By April 15 of this year, 36 physicians were placed in rural Nebraska communities under the J–1 program. An example of this would be Oshkosh, Nebraska, which is a county of roughly 1,700 square miles with one doctor serving 2,500 people. We were able to secure an internist from Poland on a J–1 visa waiver. This has been critical to the survival of the hospital and the community.

So this has been a tremendously important program to rural areas as well as to urban areas. We like the flexibility of the program. It has been able to provide some key specialists in certain communities.

Mr. Speaker, we urge support of H.R. 4858. I would like to thank the gentleman from Kansas (Mr. MORAN) for his leadership, and I would like to especially thank the gentleman from Wisconsin (Chairman SENSENBRENNER) for bringing this legislation to the floor.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in conclusion, let me acknowledge two points that I thought the previous speakers made very well, but I think it is very important.

It is very important that the pending applications be processed between the INS, the State Department, and the USDA. I think it is also important to recognize that not having a physician in any community, whether it be urban or rural, is like not having a school. It is a vital part of the components of a community, such as access to health care.

This particular legislation had the concerns, of course, because it represented foreign physicians, that there was a question of homeland security, or a question of security in light of the incidences of September 11.

One of the things that we are trying to do as the President moves his legislation forward is to ensure that, as much as we can, the lifestyles of Americans and the values of Americans continue. We recognize that as these individuals come in to share their talents that this particular visa will give them the authority to work and to give service, but it also gives the ability for this country to be safe. We should balance those responsibilities.

Let me also say, Mr. Speaker, that our previous speakers have mentioned the fact that access to health care is important, and I believe that the quality of health care is important. So that is why I emphasize in my support of this legislation the importance, as well, for this Congress to support a viable Medicare drug benefit through the Medicare process, one that will provide the 80 percent coverage, a premium of $25, and a deductible of $100.

We must realize that when we do this for our seniors and those that need access to health care, we provide preventive medicine. What we do in doing that is to ensure that the usage of Medicare part A and B hospitalization, emergency surgeries, et cetera, are diminished because we have the kind of care that our seniors need with respect to a good Medicare drug benefit for prescription drugs.

Mr. Speaker, the fight still continues for good health care in America. When we pass this legislation, we will help our rural and inner city areas which are underserved, and we will fix some of those problems; but we will not fix them in totality if we do not pass a Medicare drug benefit, prescription drug benefit, tied to the Medicare plan that provides 80 percent coverage and is not one that plays to the special interests, paying money to pharmaceuticals when that is not needed.

We really need to be seriously considering providing good health care.

Mr. COSTELLO. Mr. Speaker, I rise today in support of H.R. 4858. The number of doctors practicing in rural America continues to decline. Congress needs to find ways to meet the medical needs of all rural Americans. This important legislation brings us one step closer to improving access to medical care in rural America by expanding a state program to recruit physicians.

The need for this legislation became crucial after the Federal program used to bring doctors to rural areas was brought to a halt in February 2002. The U.S. Department of Agriculture announced it would no longer process J–1 Visa applications for foreign doctors wishing to practice in underserved areas. This left the state operated program as the only option for recruiting much-needed doctors to work in medically underserved areas. However, this program expired on May 31, 2002.

H.R. 4558 reauthorizes the state program for two years and expands the program from 20 to 30 doctors per state, in order to accommodate the increased demands. This year alone, three psychiatrists applying for the J-1 visa program in Illinois left my state to apply in other states because Illinois could not provide any additional J-1 Visa waivers. This legislation would have allowed these psychiatrists to remain in Illinois where their service is greatly needed. Since 1994, the J-1 Visa waiver program has brought 338 physicians to Illinois, many of which currently serve in my district.

I am committed to ensuring that, to the maximum extent possible, physicians are available to provide service to medically underserved areas. J-1 Visa participants can and will help meet these needs once the program is reauthorized. Mr. Speaker, for these reasons I support this legislation and urge my colleagues to do the same.

Mr. TOWNS. Mr. Speaker, I rise today in support of H.R. 4858, introduced by my colleague Congressman MORAN of Kansas. As a co-sponsor of this legislation, let me stress that it is vital to maintaining access to health care for the medically underserved, both in urban and rural areas. This legislation is needed to reauthorize the J1 Visa waiver program, whose authorization expired on June 1, 2002. The J1 Visa waiver program has been successful in recruiting physicians in both primary care and specialty areas in both rural and urban medically underserved communities. Without this critical program many rural communities would be without access to basic primary care if not for a physician with a J1 Visa waiver.

Since its inception in 1994, the J1 Visa program has been successful as both a Federal and State program, but in late February, the U.S. Department of Agriculture announced that it was no longer going to act as the Federal Interested Government Agency (IGA) in processing J1 Visa applications for physicians wishing to practice 8in rural underserved areas. The USDA cited security concerns as the issue. However, USDA's decision caused a major shortage of filling the needs of the medically underserved. Although, the Administration has formed a task force to address the Federal J1 program in selecting another IGA to sponsor candidates, we still need to reauthorize the state program to limit the disruption in health care services in these communities. Today, I am pleased that we here in Congress have an opportunity to take a proactive stand to ensure that the states' J1 Visa program is continued. I urge my colleagues to support this bill.

Mr. SIMPSON. Mr. Speaker, I rise to support H.R. 4858, introduced by my good friend Representative JERRY MORAN of Kansas. This legislation will extend for two years the J–1 visa waiver program for states and increase each state's allotment from 20 to 30.

The J–1 visa waiver program allows foreign medical students to remain practicing in the U.S. without having to return to their home countries for two years, as the J–1 visa requires. International Medical Graduates are a thriving part of the physician population in the U.S. It is estimated that close to 24% of practicing physicians are foreign nationals. In addition, in 1999 over 2,000 foreign medical graduates were practicing in health professional shortage areas or medically underserved areas, where waiver recipients are required to work.

I am a strong supporter of the J–1 visa waiver program and disagree with USDA's decision to withdraw as an Interested Government Agency. Since 1994, California has received 229 J–1 visa waiver physicians to practice in underserved areas. Five states—Texas, Louisiana, Michigan, California and Florida account for 45% of USDA J–1 recommendations. USDA's withdrawal has left states with nowhere else to turn but to the state waiver programs, often referred to as Conrad-20 programs.

Since the USDA began its program in 1994, the agency has recommended over 3,000 physicians for J–1 visa waiver status. As USDA will not longer make these recommendations, the states now will have to fill this vital role. Hospitals and clinics needing a foreign doctor that would have turned to USDA, which did not have a waiver recommendation limit, will now relay on the states to fulfill their needs.

However, the states have been limited to only twenty recommendations per year. Without USDA involvement the 20 slots are simply not enough to fill the void for most states. I am in support of increasing the number of slots to 30, as this will help the problem, but I am worried that this number is insufficient for many states. A recent survey by the Texas Primary Care office found that 23 states could recommend more than 20. Although increasing the limit to 30 will help, it will not address all of the states' needs, especially in California. In this same survey, 15 states indicated that they could use over 31 waivers. Seven of those states said they could use more than 51 waivers.

This J–1 visa waiver program is essential to ensuring that our rural health clinics and medical practices can remain in business serving our rural constituencies. These areas cannot attract American doctors despite aggressive recruitment procedures. Foreign doctors fill this significant role. I strongly support continuing this important state program and endorse increasing the number of slots to thirty as a first step to providing much needed medical personnel in underserved areas across the country.

Mr. PALLONE. Mr. Speaker, I rise in support of H.R. 4858, a bill to improve access to physicians in medically underserved areas. In many rural areas of the country, we are experiencing an enormous shortage of qualified

doctors. For this reason, the J–1 visa waiver program was established on the State and Federal level.

This program allowed foreign medical graduates to come to the United States on a J–1 visa for up to 3 years to train in accredited residency programs in rural, underserved parts of the country. Mr. Speaker, the impetus behind accepting physicians from other countries and training them in American residency positions is to attract physicians to provide care to the medically underserved who live in rural areas where doctors trained in the United States do not want to practice.

The law states that once the residency program is complete, the doctors are required to return to their country of origin for two years. However, the Federal government and states have the authority to waive the requirements if it is in the United States' interest to keep the physician here. The US Department of Agriculture (USDA) Rural Development Branch was thrilled by the waiver because it provided the opportunity to retain medical trainees who would continue to serve in typically medically underserved communities in rural America. In addition, individual state agencies could act as an Interested Government Agency (IGA) and under the Conrad 20 program, could process up to 20 J–1 doctors on their own.

Unfortunately, the USDA has indicated an intention to stop granting permission under the J–1 visa waiver program. National security concerns have taken hold and new, extensive background checks have put the USDA in the position of not being able to afford to continue this program to keep foreign medical graduates. At the same time, the Conrad 20 program which allowed states to process J–1 visa waivers expired on May 31, 2002.

I support passage of H.R. 4858, because this legislation would reauthorize the Conrad 20 program for 2 years and expand the number of J–1 visa waivers to 30 per state in order to make up for increasing demands brought on by the termination of the Federal government program under the USDA.

I will work to see that this bill is taken up by the other body and signed into law by the President to ensure that medical care is available throughout all rural, underserved communities in the United States.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. QUINN). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 4858.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr.SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

LIFETIME CONSEQUENCES FOR SEX OFFENDERS ACT OF 2002

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4679) to amend title 18, United States Code, to provide a maximum term of supervised release of life for child sex offenders, as amended.

The Clerk read as follows:

H.R. 4679

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Lifetime Consequences for Sex Offenders Act of 2002''.

SEC. 2. SUPERVISED RELEASE TERM FOR SEX OFFENDERS.

Section 3583 of title 18, United States Code, is amended by adding at the end the following:

''(k) SUPERVISED RELEASE TERMS FOR SEX OFFENDERS.—Notwithstanding subsection (b), the authorized term of supervised release for any offense under chapter 109A, 110, 117, or section 1591 is any term of years or life.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill, H.R. 4679, as amended, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4679, the Lifetime Consequences for Sex Offenders Act of 2002, amends the current law, which grants Federal courts the authority to include in any sentence a term of supervised release after imprisonment.

Under this legislation, a court would be authorized to impose a term of supervised release for any term of years or life for a number of serious sex offenses. These offenses include crimes of sexual abuse, sexual exploitation of children, transportation for illegal sexual activity, sex trafficking of children by force, fraud, or coercion. Under current law, a term of supervised release for any of these crimes is limited to a maximum term of between 1 and 5 years.

This legislation will provide judges with greater discretion in dealing with sex offenders. The court imposing the sentence is in the best possible position to determine if an extended period of supervision is necessary, based on that court's knowledge of the facts of the case and the defendant's criminal history.

The court is also in the best position to determine what conditions of release are necessary to ensure the defendant will not reoffend and the public will be safe.

There is no requirement in this bill that a judge impose any term of supervised release if the court feels that it is not necessary. The court may also revoke such supervision at any time after 1 year if the court decides that supervision is no longer warranted.

Lifetime supervised release is not a novel idea. A court may currently impose a life term of supervised release for certain Federal drug and terrorism offenses. It does not make any sense to tie the hands of the court in the case of a sex offender if that court knows that there is a greater possibility that a defendant will victimize another person if they are not subject to the conditions of supervised release.

Study after study has shown extremely high recidivism rates for sex offenders. The lifelong harm that they cause to their victims far outweighs any inconvenience they may suffer as a result of lifetime supervision. This legislation will give the courts the ability to permanently monitor those individuals who have demonstrated a higher risk to society.

Mr. Speaker, I urge my colleagues to support this legislation, and I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to H.R. 4679. Mr. Speaker, this bill lacks any standard for application of lifetime supervision and would make subject to lifetime supervision those who may be involved only in misdemeanors and in cases involving consensual acts, including consensual touching between teenagers still in high school. There may be cases for which consideration of such treatment is warranted, but certainly not in misdemeanors and consensual sex acts.

During the committee consideration of the bill, I offered amendments aimed at focusing the bill on the types of cases that might warrant consideration of lifetime supervision by eliminating misdemeanors and consensual acts for first-time offenders, but these amendments were rejected and were on a procedure that does not allow amendments on the floor.

□ 1245

Although judges have the discretion to impose lifetime supervision or not, a judge must consider that if Congress authorizes lifetime supervision for first-time misdemeanors or consensual acts between adults or between high school students, with no indication of how it should be applied in these cases, it must be that Congress intends for it to apply in such cases. In this overzealous context of indiscriminately ferreting out sex offenders for harsher treatment, there are likely to be judges who, like the lawmakers promoting such policies, who will prefer to err on the side of harsh treatments to avoid the possible criticism that they were not as tough as they could have been should an offender actually recidivate.

We have plenty of evidence as to how this harsh treatment is applied in our criminal justice system and that it is minorities will be at the receiving end. That is because this bill will only apply to cases of Federal jurisdiction, and we know that the Federal jurisdiction crimes fall disproportionately on Native Americans who comprise about 75 to 80 percent of all cases involving Federal jurisdiction. And even if the clear racially disparate unfairness is not there, it is also unfair for offenders in the same State to face vastly differing harshness and treatments just because they were either right on the reservation or across the road outside of the reservation.

For many crimes covered by this lifetime supervision provision, the situation will be more about enforcing the conditions of supervision than about preventing additional sex offenses. That is because the supervision will take place when the defendant is out in the community and just checks in occasionally for supervision. Offenders will be in and out of prison not for new sexual offenses but for technical violations of their conditions of supervision. This is not only unfair to what may be a very minor offender but it is actually a waste of the taxpayers' resources.

There were no hearings on the bill and no showing that there is any problem with the length of supervision period now available for the courts and certainly no hearing to see why this should apply disproportionately to Native Americans, as to whether or not there is any special problem in the Native American community. This suggests something to make it look like we are doing something about crime when in reality we are not doing anything but imposing unnecessarily harsh and unfair policies on Native Americans. I, therefore, urge the defeat of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. GEKAS), the author of the bill.

(Mr. GEKAS asked and was given permission to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, I thank the chairman for yielding me time, and I thank everyone concerned.

This legislation was not born of a whim or out of reason of trying to fill a day of litigation where other things could not have been accomplished. This came about as a result of a Federal judge who was shocked by the fact that on certain cases involving sex offenders that the Federal judge was unable to put onto the offenders' sentence a supervised release for more than 5 years, in some cases for no more than 1 year.

So in discussions I had with the Federal judge, he proposed and I accepted the proposition that, because a sex offender in front of a judge is subject to the scrutiny of the entire background of this offender to the extent of previous offenses, ages and names of people who were harmed, the whole aspect of the offender who happens to be in front of judge, coupled with the felony fact that recidivism among sex offenders, particularly those who would harm young children, the pedophiles, that that rate of recidivism is so high that we cannot as a society gamble that after a short period of supervision that this individual will not harm another youngster, and so we are here at the well of the House proposing that we allow these Federal judges in front of whom these sex offenders will appear to a lifetime maximum of supervision.

It night not be that many years. It might be 10 years. It might be five. And the judge at any time during this period can change it, can change it back, all subject to the discretion of the judge pursuant to the circumstances that obtain with regard to this particular sex offender.

The gentleman from Virginia (Mr. SCOTT) opines that this is specially hard on Indian tribes. But the gentleman from Wisconsin (Mr. SENSENBRENNER) outlined that one of the patterns on which this sex offender extended supervision period was based was for the drug offenses and the terroristic offenses that already are on the books in which lifetime supervision is part of the sentencing option. So they were not fashioned at any cost to the Federal jurisdiction over Indian tribes. Drug offenses among Indians or terrorists offenses among Indians are treated equitably as the law provides. So it will be for the sex offenders who have this high rate of recidivism which we wish to curtail.

Mr. Speaker, I have introduced H.R. 4679, the Lifetime Consequences for Sex Offenders Act of 2002 to give our Federal judges the power they need to properly ensure that sex offenders pay for their crimes, and that our legal system remains appropriately accountable for a sex offender when they are released into the public. As you know, Federal judges currently have the power under 18 U.S.C. 3583 to order mandatory periods of post-release supervision for Federal felons. The law provides that Class A and B felons may be ordered into mandatory supervision for a period of up to 5 years. Class C and D felons may be ordered into mandatory supervision for up to 3 years. Furthermore, lesser felons and misdemeanants may receive no more than a maximum sentence of 1 year post-release supervision.

Importantly, Congress has created several important exceptions to the three tiers of supervised release just described. Federal judges may sanction many Title 21 Federal drug offenses by imposing conditions of supervised release lasting up to a lifetime in length. Additionally, as we all remember well, President bush signed into law the USA–PATRIOT Act several months ago. That bill provided Federal judges with the discretion of ordering long-term supervision of periods ranging up to a lifetime for those guilty of many terrorism offenses.

Long-term supervision for Federal drug offenders and those who attempt terroristic acts will help to ensure the future safety of our citizens. It will clearly help to make sure our government can account for those felons who are released from prison as they reintegrate with society. This Congress recognized the severe nature of these crimes and found wanting a system that hamstrung Federal judges from meting out justice by severally limiting their options when it came to post release mandatory supervision.

If Federal judges can impose lifetime supervision for drug offenses, they should be able to provide a similar sanction for sex offenders. I know very well that many Federal judges feel strongly that they are not able to truly protect the citizenry from sex offenders without the ability to escalate supervision requirements beyond the arbitrary 5 year limit. I recently spoke with Judge F.S. Van Antwerpen of the Eastern District of Pennsylvania about his experiences in sentencing felons engaged in Internet child pornography crimes. The destructive and harmful crimes engaged in by some of the felons he sentenced left him with little hope that these child predators would truly reform after release from prison. Without the sanction of long-term, and possibly lifelong supervision, these dangerous predators may relapse back into their obscene habits later in life.

The sexual offenses covered under my bill, H.R. 4679, range from the interstate coercion and enticement of minors into sexual activity, to the transportation of individuals across state lines with the intent of engaging in prostitution or other illegal sexual conduct. Longer periods of supervision are available in many State legal systems. Why should a sex offender who happened to cross State lines to sexually abuse a child, receive a lighter sentence than one who engages in the same acts with a child within a single State? How many of America's parents realize that when a sex offender leaves the prison system, the Federal legal system they rely upon to keep their children safe from predators maintains no supervision of that sex offender after a few short years? How many serious sex offenders have no one to help brake them when they begin to slide into their old destructive ways?

I am very concerned about recidivism rates for sexual offenders. Studies have shown recidivism rates varying from 15% to nearly 75% for sex offenders, depending on the type of sex offense and the length of the study. And these numbers do not tell the whole story: as much as 80% of sex offenses go unreported! Regardless of the numbers, any repeat of these especially heinous crimes simply are not acceptable, especially when the legal system can do more. There is reason for optimism—if we take the right steps. Statistics suggest that people are much more likely to engage in repeat victimization before they are caught. Regardless of their inclinations, sex offenders are likely to restrain themselves if they know they are being watched.

Mandatory supervision in no way implies 24 hour monitoring or surveillance of individuals. Consistent and periodic contact with Federal probation officers, however, makes sense. These Federal officials are able to gauge the on-going efforts of released felons to reintegrate into society. They can spot trouble before it becomes destructive to the individual under supervision, or worse, to innocent third parties. Additionally, Federal judges can add ''reasonable'' additional stipulations to the terms of release for Federal criminals including mandatory counseling, thereby affording

released felons the safety net of counseling services for durations beyond a handful of years.

My fellow colleagues, we all deplore the destructive and revolting nature of sex crimes. Our Federal law enforcement agencies, our prosecutors, and our judges want and need tools like the one I propose today, to help combat these vile crimes. Let us take a positive step today for America's families and our children. I ask that you vote for H.R. 4679, the Lifetime Consequences for Sex Offenders Act of 2002.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just point out that some of the cases, some of the situations that would be covered by this would be crossing State lines from Washington, D.C., to the Commonwealth of Virginia for the purposes of committing fornication. That would be a crime for which, that is, two consenting adults, that would be a crime for which you could be subjected to lifetime supervision and a violation of which could put you in jail for violating the provision of your supervision.

The bill needs to be narrowed to cover the kind of cases we are talking about; and for that reason the bill should be opposed, the motion to suspend the rules should be opposed so that we could have a situation where we could actually amend the bill to cover those acts which we are actually trying to cover.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. SMITH), the chairman of the Subcommittee on Crime, Terrorism and Homeland Security of the Committee on the Judiciary.

Mr. SMITH of Texas. Mr. Speaker, I want to thank the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the Committee on the Judiciary, for yielding me time.

Mr. Speaker, H.R. 4679, The Lifetime Consequences for Sex Offenders Act of 2002, was introduced by the gentleman from Pennsylvania (Mr. GEKAS) and allows Federal judges to include, as part of the sentence of a convicted sex offender, a term of supervised release for any period of time. The court can end the term of supervised release and discharge the defendant at any time after 1 year if the court is satisfied that such action is warranted by the conduct of the defendant and serves the interest of justice.

Studies have shown that sex offenders are four times more likely than other violent criminals to recommit their crimes. Moreover, recidivism rates do not appreciably decline as the offender ages.

According to the United States Department of Justice's Bureau of Justice Statistics, since 1980 the number of prisoners sentenced for violent sexual assault other than rape has increased 15 percent each year, faster than any other category of violent crime.

National data also indicates that sex offenders are apprehended for only a fraction of the crimes they actually commit. In fact, in some estimates only one in five serious sex offenses are reported to authorities and only 3 percent of such crimes result in the apprehension of an offender.

By passing this legislation, we will give judges the discretion necessary to impose a term of supervised release that is appropriate for each defendant. Authorities will be able to monitor those sex offenders who pose the greatest threat to our society for as long as the court feels they are a danger to society.

Mr. Speaker, there is nothing mandatory about this bill. If a judge decides that supervision is not necessary, then there is no requirement to impose any term of supervised release. But it is mandatory that Congress pass this legislation if we are to deter criminals from committing these terrifying crimes.

Mr. SCOTT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think the definition and the explanation of this bill has been well made by the previous speakers. I would like to focus on I think a singular and important point that the gentleman from Virginia (Mr. SCOTT) has made.

There is no doubt in my continued support on the floor of the House for legislation that deals with penalizing, if you will, those who would prey upon children and those who would act criminally with respect to sex acts as it impacts the victims, both women and children and others.

I have always been one that believes that there is more work to be done in protecting the public from those that would be predators as it relates to sexual offenses and, as well, crimes against children. We have to look no further than our television screen right now and the debate or the information coming out of Utah on the missing young Smart girl as well as the long list of missing children and exploited children to know that this is the work we should be doing. But I believe the distinguished gentleman from Virginia (Mr. SCOTT) has a very valid point, and it should be addressed, and I really wish we had the opportunity to have had this legislation go through the Committee on Rules.

There is no emergency that would not have allowed us, again, to look at this legislation for its best effectiveness. There is no reason to not provide guidelines so that we can be assured that the legislation attacks the problem that we want it to attack, and that is the violent and, if you will, repeat and vicious offenders, sex offenders who would go after and prey upon innocent victims.

It means that there should be a sense of tolerance, however, for those who otherwise could be rehabilitated or that the offenses do not meet the test. We are simply asking that you allow guidelines to be utilized so that you can distinguish between potential for misdemeanors, consensual sexual conduct or if something occurred between two teenagers in the course of their interaction. This is what I believe, Mr. Speaker, the key is on this legislation, to be able to have a guideline to make this better legislation.

I would hope the gentleman would have the opportunity to have this legislation assessed and that our colleagues would look at putting an amendment in that deals with putting in guidelines for this legislation.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing, I would just again state that someone in Washington, D.C., crossing the line to go to the Commonwealth of Virginia to commit fornication, two consenting adults, if caught, could be subjected to lifetime supervision. I do not think that is the kind of case the supporters of the bill were talking about.

We ought to bring this bill up in a forum where one could amend it to take those kind of situations out, and for that reason the motion to suspend the rules ought to be defeated.

Mr. PAUL. Mr. Speaker, the policy behind H.R. 4679, the Lifetime Consequences for Sex Offenders Act, is unobjectionable. Given the high rates of recidivism among sex criminals, it is certainly legitimate to take steps to reduce the likelihood that a paroled sex criminal will commit further crimes. In fact, given the likelihood that a sex offender will attempt to commit another sex crime, it is reasonable to ask why rapists and child molesters are not simply imprisoned for life?

However, Mr. Speaker, questions of the proper punishment for sexual crimes are not issues properly under federal jurisdiction. The Constitution grants the federal government jurisdiction over only three crimes: treason, counterfeiting, and piracy. It is hard to stretch the definition of treason, counterfeiting, or piracy to include sex crimes. Therefore, even though I agree with the policy behind H.R. 4679, I must remind my colleagues that the responsibility for investigating, prosecuting and punishing sex crimes is solely that of state and local governments.

We have been reminded by both Chief Justice William H. Rehnquist and former U.S. Attorney General Ed Meese that more federal crimes, while they make politicians feel good, are neither constitutionally sound nor prudent. Rehnquist has stated that ''The trend to federalize crimes that traditionally have been handled in state courts . . . threatens to change entirely the nature of our federal system.'' Meese stated that Congress' tendency in recent decades to make federal crimes out of offenses that have historically been state matters has dangerous implications both for the fair administration of justice and for the principle that states are something more than mere administrative districts of a nation governed mainly from Washington.

In conclusion, Mr. Speaker, while I am in fundamental agreement with the policies expressed in H.R. 4679, the Lifetime Consequences for Sex Offenders Act, I must remind my colleagues that this is an area over which Congress has no constitutional responsibility. I hope my colleagues will join me in restoring state and local government's constitutional authority over criminal activities not related to treason, piracy, and counterfeiting.

Mr. SCOTT. Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. QUINN). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 4679 , as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1300

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. QUINN). Pursuant to clause 8 of rule XX, the Chair will now put the question on the approval of the Journal and then on motions to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

Approving the Journal, de novo;

H.R. 4858, by the yeas and nays;

H.R. 4679, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the pending business is the question on agreeing to the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 371, nays 40, answered ''present'' 2, not voting 21, as follows:

[Roll No. 253]

YEAS—371

Abercrombie	Doggett	Keller
Ackerman	Dooley	Kelly
Aderholt	Doolittle	Kennedy (RI)
Akin	Doyle	Kerns
Allen	Dreier	Kildee
Andrews	Duncan	Kilpatrick
Armey	Dunn	Kind (WI)
Baca	Edwards	King (NY)
Bachus	Ehlers	Kingston
Baker	Ehrlich	Kirk
Baldacci	Emerson	Kleczka
Ballenger	Engel	Knollenberg
Barcia	Eshoo	LaFalce
Barr	Etheridge	LaHood
Barrett	Evans	Lampson
Bartlett	Farr	Langevin
Barton	Fattah	Lantos
Bass	Ferguson	Latham
Becerra	Flake	LaTourette
Bentsen	Fletcher	Leach
Bereuter	Foley	Lee
Berkley	Forbes	Levin
Berman	Ford	Lewis (CA)
Berry	Frank	Lewis (KY)
Biggert	Frelinghuysen	Linder
Bilirakis	Frost	Lipinski
Bishop	Gallegly	Lofgren
Blumenauer	Ganske	Lowey
Blunt	Gekas	Lucas (KY)
Boehlert	Gephardt	Lucas (OK)
Boehner	Gibbons	Luther
Bonilla	Gilchrest	Lynch
Bono	Gillmor	Maloney (CT)
Boozman	Gilman	Maloney (NY)
Boswell	Gonzalez	Manzullo
Boucher	Goode	Markey
Boyd	Goodlatte	Mascara
Brady (TX)	Gordon	Matheson
Brown (FL)	Goss	Matsui
Brown (OH)	Graham	McCarthy (MO)
Brown (SC)	Granger	McCarthy (NY)
Bryant	Graves	McCollum
Burr	Green (TX)	McCrery
Burton	Green (WI)	McGovern
Buyer	Greenwood	McHugh
Calvert	Grucci	McInnis
Camp	Gutierrez	McIntyre
Cannon	Hall (OH)	McKeon
Cantor	Hall (TX)	McKinney
Capito	Hansen	Meehan
Capps	Harman	Menendez
Capuano	Hastings (WA)	Mica
Cardin	Hayes	Millender-McDonald
Carson (OK)	Herger	Miller, Dan
Castle	Hill	Miller, Gary
Chabot	Hilleary	Miller, Jeff
Chambliss	Hinchey	Mink
Clayton	Hobson	Mollohan
Clement	Hoeffel	Moran (KS)
Clyburn	Hoekstra	Moran (VA)
Coble	Holden	Morella
Collins	Honda	Murtha
Combest	Hooley	Myrick
Cooksey	Horn	Nadler
Cox	Hostettler	Napolitano
Coyne	Houghton	Neal
Cramer	Hoyer	Nethercutt
Crenshaw	Hulshof	Ney
Crowley	Hunter	Northup
Cubin	Hyde	Norwood
Culberson	Inslee	Nussle
Cummings	Isakson	Obey
Cunningham	Israel	Ortiz
Davis (CA)	Issa	Osborne
Davis (FL)	Istook	Ose
Davis (IL)	Jackson (IL)	Otter
Davis, Jo Ann	Jackson-Lee (TX)	Owens
Davis, Tom	Jefferson	Oxley
Deal	John	Pallone
DeGette	Johnson (CT)	Pascrell
Delahunt	Johnson (IL)	Pastor
DeLauro	Johnson, E. B.	Paul
DeLay	Johnson, Sam	Payne
DeMint	Jones (NC)	Pelosi
Deutsch	Jones (OH)	Pence
Diaz-Balart	Kanjorski	Peterson (PA)
Dicks	Kaptur	Petri
Dingell	Kelly	Phelps
Doggett	Kennedy (RI)	Pickering
Dooley	Kerns	Pitts
Doolittle	Kildee	Platts
Doyle	Kilpatrick	Pombo
Dreier	Kind (WI)	Pomeroy
Duncan	King (NY)	Portman
Dunn	Kingston	Price (NC)
Edwards	Kirk	Putnam
Ehlers	Kleczka	Quinn
Ehrlich	Knollenberg	Radanovich
Emerson	LaFalce	Rahall
Engel	LaHood	Rangel
Eshoo	Lampson	Regula
Etheridge	Langevin	Rehberg
Evans	Lantos	Reyes
Farr	Latham	Reynolds
Fattah	LaTourette	Rivers
Ferguson	Leach	Rodriguez
Flake	Lee	Roemer
Fletcher	Levin	Rogers (KY)
Foley	Lewis (CA)	Rogers (MI)
Forbes	Lewis (KY)	Rohrabacher
Ford	Linder	Ros-Lehtinen
Frank	Lipinski	Ross
Frelinghuysen	Lofgren	Rothman
Frost	Lowey	Roukema
Gallegly	Lucas (KY)	Roybal-Allard
Ganske	Lucas (OK)	Royce
Gekas	Luther	Rush
Gephardt	Lynch	Ryan (WI)
Gibbons	Maloney (CT)	Ryun (KS)
Gilchrest	Maloney (NY)	Sanders
Gillmor	Manzullo	Sandlin
Gilman	Markey	Sawyer
Gonzalez	Mascara	Saxton
Goode	Matheson	Schakowsky
Goodlatte	Matsui	Schiff
Gordon	McCarthy (MO)	Schrock
Goss	McCarthy (NY)	Scott
Graham	McCollum	Sensenbrenner
Granger	McCrery	Serrano
Graves	McGovern	Sessions
Green (TX)	McHugh	Shadegg
Green (WI)	McInnis	Shaw
Greenwood	McIntyre	Shays
Grucci	McKeon	Sherman
Gutierrez	McKinney	Sherwood
Hall (OH)	Meehan	Shimkus
Hall (TX)	Menendez	Shows
Hansen	Mica	Shuster
Harman	Millender-McDonald	Simmons
Hastings (WA)	Miller, Dan	Simpson
Hayes	Miller, Gary	Skeen
Herger	Miller, Jeff	Skelton
Hill	Mink	Slaughter
Hilleary	Mollohan	Smith (MI)
Hinchey	Moran (KS)	Smith (NJ)
Hobson	Moran (VA)	Smith (TX)
Hoeffel	Morella	Smith (WA)
Hoekstra	Murtha	Snyder
Holden	Myrick	Solis
Honda	Nadler	Souder
Hooley	Napolitano	Spratt
Horn	Neal	Stark
Hostettler	Nethercutt	Stearns
Houghton	Ney	Stenholm
Hoyer	Northup	Stump
Hulshof	Norwood	Sullivan
Hunter	Nussle	Sununu
Hyde	Obey	Tanner
Inslee	Ortiz	Tauscher
Isakson	Osborne	Tauzin
Israel	Ose	Taylor (NC)
Issa	Otter	Terry
Istook	Owens	Thomas
Jackson (IL)	Oxley	Thornberry
Jackson-Lee (TX)	Pallone	Thune
Jefferson	Pascrell	Thurman
John	Pastor	Tiahrt
Johnson (CT)	Paul	Tiberi
Johnson (IL)	Payne	Tierney
Johnson, E. B.	Pelosi	Toomey
Johnson, Sam	Pence	Towns
Jones (NC)	Peterson (PA)	Turner
Jones (OH)	Petri	Udall (CO)
Kanjorski	Phelps	Upton
Kaptur	Pickering	Velazquez
Keller	Pitts	Vitter
Kelly	Platts	Walden
Kennedy (RI)	Pombo	Walsh
Kerns	Pomeroy	Wamp
Kildee	Portman	Watkins (OK)
Kilpatrick	Price (NC)	Watson (CA)
Kind (WI)	Putnam	Watt (NC)
King (NY)	Quinn	Waxman
Kingston	Radanovich	Weiner
Kirk	Rahall	Weldon (FL)
Kleczka	Rangel	Weldon (PA)
Knollenberg	Regula	Wexler
LaFalce	Rehberg	Whitfield
LaHood	Reyes	Wicker
Lampson	Reynolds	Wilson (NM)
Langevin	Rivers	Wilson (SC)
Lantos	Rodriguez	Wolf
Latham	Roemer	Woolsey
LaTourette	Rogers (KY)	Wynn
Leach	Rogers (MI)	Young (AK)
Lee	Rohrabacher	Young (FL)
Levin	Ros-Lehtinen	
Lewis (CA)	Ross	
Lewis (KY)	Rothman	
Linder	Roukema	
Lipinski	Roybal-Allard	
Lofgren	Royce	
Lowey	Rush	
Lucas (KY)	Ryan (WI)	
Lucas (OK)	Ryun (KS)	
Luther	Sanders	
Lynch	Sandlin	
Maloney (CT)	Sawyer	
Maloney (NY)	Saxton	
Manzullo	Schakowsky	
Markey	Schiff	
Mascara	Schrock	
Matheson	Scott	
Matsui	Sensenbrenner	
McCarthy (MO)	Serrano	
McCarthy (NY)	Sessions	
McCollum	Shadegg	
McCrery	Shaw	
McGovern	Shays	
McHugh	Sherman	
McInnis	Sherwood	
McIntyre	Shimkus	
McKeon	Shows	
McKinney	Shuster	
Meehan	Simmons	
Menendez	Simpson	
Mica	Skeen	
Millender-McDonald	Skelton	
Miller, Dan	Slaughter	
Miller, Gary	Smith (MI)	
Miller, Jeff	Smith (NJ)	
Mink	Smith (TX)	
Mollohan	Smith (WA)	
Moran (KS)	Snyder	
Moran (VA)	Solis	
Morella	Souder	
Murtha	Spratt	
Myrick	Stark	
Nadler	Stearns	
Napolitano	Stenholm	
Neal	Stump	
Nethercutt	Sullivan	
Ney	Sununu	
Northup	Tanner	
Norwood	Tauscher	
Nussle	Tauzin	
Obey	Taylor (NC)	
Ortiz	Terry	
Osborne	Thomas	
Ose	Thornberry	
Otter	Thune	
Owens	Thurman	
Oxley	Tiahrt	
Pallone	Tiberi	
Pascrell	Tierney	
Pastor	Toomey	
Paul	Towns	
Payne	Turner	
Pelosi	Udall (CO)	
Pence	Upton	
Peterson (PA)	Velazquez	
Petri	Vitter	
Phelps	Walden	
Pickering	Walsh	
Pitts	Wamp	
Platts	Watkins (OK)	
Pombo	Watson (CA)	
Pomeroy	Watt (NC)	
Portman	Waxman	
Price (NC)	Weiner	
Putnam	Weldon (FL)	
Quinn	Weldon (PA)	
Radanovich	Wexler	
Rahall	Whitfield	
Rangel	Wicker	
Regula	Wilson (NM)	
Rehberg	Wilson (SC)	
Reyes	Wolf	
Reynolds	Woolsey	
Rivers	Wynn	
Rodriguez	Young (AK)	
Roemer	Young (FL)	
Rogers (KY)		
Rogers (MI)		
Rohrabacher		
Ros-Lehtinen		
Ross		
Rothman		
Roukema		
Roybal-Allard		
Royce		
Rush		
Ryan (WI)		
Ryun (KS)		
Sanders		
Sandlin		
Sawyer		
Saxton		
Schakowsky		

NAYS—40

Baird	Hefley	Sabo
Baldwin	Holt	Strickland
Borski	Kennedy (MN)	Stupak
Brady (PA)	Kucinich	Sweeney
Clay	Larsen (WA)	Taylor (MS)
Condit	Lewis (GA)	Thompson (CA)
Costello	LoBiondo	Thompson (MS)
Crane	McDermott	Udall (NM)
DeFazio	McNulty	Visclosky
English	Miller, George	Waters
Filner	Moore	Weller
Gutknecht	Oberstar	Wu
Hart	Olver	
Hastings (FL)	Ramstad	

ANSWERED ''PRESENT''—2

Carson (IN)	Tancredo

NOT VOTING—21

Blagojevich	Hilliard	Peterson (MN)
Bonior	Hinojosa	Pryce (OH)
Callahan	Jenkins	Riley
Conyers	Kolbe	Sanchez
Everett	Larson (CT)	Schaffer
Fossella	Meek (FL)	Traficant
Hayworth	Meeks (NY)	Watts (OK)

□ 1324

Mr. WU changed his vote from ''yea'' to ''nay.''

So the Journal was approved.

The result of the vote was announced as above recorded.

Stated for:

Mr. KOLBE. Mr. Speaker, earlier today, I was unavoidably detained and missed a vote on approving the Journal. Had I voted, I would have voted ''yea'' on this vote (No. 253).

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATHAM). Pursuant to clause 8 of rule XX, the Chair announces that he will reduce to a minimum of 5 minutes the period of time for electronic voting on motions to suspend the rules on which the Chair has postponed further proceedings.

IMPROVING ACCESS TO PHYSICIANS IN MEDICALLY UNDERSERVED AREAS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4858.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 4858, on which the yeas and nays are ordered.

This will be a 5 minute vote.

The vote was taken by electronic device, and there were—yeas 407, nays 7, not voting 20, as follows:

[Roll No. 254]

YEAS—407

Abercrombie	Cox	Gutierrez
Ackerman	Coyne	Gutknecht
Aderholt	Cramer	Hall (OH)
Akin	Crane	Hall (TX)
Allen	Crenshaw	Hansen
Andrews	Crowley	Harman
Armey	Cubin	Hart
Baca	Culberson	Hastings (FL)
Bachus	Cummings	Hastings (WA)
Baird	Cunningham	Hayes
Baker	Davis (CA)	Herger
Baldacci	Davis (FL)	Hill
Baldwin	Davis (IL)	Hilleary
Ballenger	Davis, Tom	Hinchey
Barcia	Deal	Hobson
Barr	DeFazio	Hoeffel
Barrett	DeGette	Hoekstra
Bartlett	Delahunt	Holden
Barton	DeLauro	Holt
Bass	DeLay	Honda
Becerra	DeMint	Hooley
Bentsen	Deutsch	Horn
Bereuter	Diaz-Balart	Hostettler
Berkley	Dicks	Houghton
Berman	Dingell	Hoyer
Berry	Doggett	Hulshof
Biggert	Dooley	Hunter
Bishop	Doolittle	Hyde
Blumenauer	Doyle	Inslee
Blunt	Dreier	Isakson
Boehlert	Dunn	Israel
Boehner	Edwards	Issa
Bonilla	Ehlers	Istook
Bono	Ehrlich	Jackson (IL)
Boozman	Emerson	Jackson-Lee (TX)
Borski	Engel	Jefferson
Boswell	English	John
Boucher	Eshoo	Johnson (CT)
Boyd	Etheridge	Johnson (IL)
Brady (PA)	Evans	Johnson, E. B.
Brady (TX)	Farr	Johnson, Sam
Brown (FL)	Fattah	Jones (NC)
Brown (OH)	Ferguson	Jones (OH)
Brown (SC)	Filner	Kanjorski
Bryant	Flake	Kaptur
Burr	Fletcher	Keller
Burton	Foley	Kelly
Buyer	Forbes	Kennedy (MN)
Calvert	Ford	Kerns
Camp	Frank	Kildee
Cannon	Frelinghuysen	Kilpatrick
Cantor	Frost	Kind (WI)
Capito	Gallegly	King (NY)
Capps	Ganske	Kingston
Capuano	Gekas	Kirk
Cardin	Gephardt	Kleczka
Carson (IN)	Gibbons	Knollenberg
Carson (OK)	Gilchrest	Kolbe
Castle	Gillmor	Kucinich
Chabot	Gilman	LaFalce
Chambliss	Gonzalez	LaHood
Clay	Goodlatte	Lampson
Clayton	Gordon	Langevin
Clement	Goss	Lantos
Clyburn	Graham	Larsen (WA)
Coble	Granger	Latham
Collins	Graves	LaTourette
Combest	Green (TX)	Leach
Condit	Green (WI)	Lee
Cooksey	Greenwood	Levin
Costello	Grucci	Lewis (GA)
Lewis (KY)	Pascrell	Slaughter
Linder	Pastor	Smith (MI)
Lipinski	Paul	Smith (NJ)
LoBiondo	Payne	Smith (TX)
Lofgren	Pelosi	Smith (WA)
Lowey	Pence	Snyder
Lucas (KY)	Peterson (PA)	Solis
Lucas (OK)	Petri	Souder
Luther	Phelps	Spratt
Lynch	Pickering	Stark
Maloney (CT)	Pitts	Stenholm
Maloney (NY)	Platts	Strickland
Manzullo	Pombo	Stump
Markey	Pomeroy	Stupak
Mascara	Portman	Sullivan
Matheson	Price (NC)	Sununu
Matsui	Putnam	Sweeney
McCarthy (MO)	Quinn	Tanner
McCarthy (NY)	Radanovich	Tauscher
McCollum	Rahall	Tauzin
McCrery	Ramstad	Taylor (MS)
McDermott	Rangel	Taylor (NC)
McGovern	Regula	Terry
McHugh	Rehberg	Thomas
McInnis	Reyes	Thompson (CA)
McIntyre	Reynolds	Thompson (MS)
McKeon	Rivers	Thornberry
McKinney	Rodriguez	Thune
McNulty	Roemer	Thurman
Meehan	Rogers (KY)	Tiahrt
Meek (FL)	Rogers (MI)	Tiberi
Menendez	Rohrabacher	Tierney
Mica	Ros-Lehtinen	Toomey
Millender-McDonald	Ross	Towns
Miller, Dan	Rothman	Turner
Miller, Gary	Roukema	Udall (CO)
Miller, George	Roybal-Allard	Udall (NM)
Miller, Jeff	Royce	Upton
Mink	Rush	Velazquez
Mollohan	Ryan (WI)	Visclosky
Moore	Ryun (KS)	Vitter
Moran (KS)	Sabo	Walden
Moran (VA)	Sanders	Walsh
Morella	Sandlin	Wamp
Murtha	Sawyer	Waters
Myrick	Saxton	Watkins (OK)
Nadler	Schaffer	Watson (CA)
Napolitano	Schakowsky	Watt (NC)
Neal	Schiff	Waxman
Nethercutt	Schrock	Weiner
Ney	Scott	Weldon (FL)
Northup	Sensenbrenner	Weldon (PA)
Norwood	Serrano	Weller
Nussle	Sessions	Wexler
Oberstar	Shadegg	Whitfield
Obey	Shaw	Wicker
Olver	Shays	Wilson (NM)
Ortiz	Sherman	Wilson (SC)
Osborne	Sherwood	Wolf
Ose	Shimkus	Woolsey
Otter	Shows	Wu
Owens	Shuster	Wynn
Oxley	Simmons	Young (AK)
Pallone	Simpson	Young (FL)
	Skeen	
	Skelton	

NAYS—7

Bilirakis	Goode	Tancredo
Davis, Jo Ann	Hefley	
Duncan	Stearns	

NOT VOTING—20

Blagojevich	Hilliard	Peterson (MN)
Bonior	Hinojosa	Pryce (OH)
Callahan	Jenkins	Riley
Conyers	Kennedy (RI)	Sanchez
Everett	Larson (CT)	Traficant
Fossella	Lewis (CA)	Watts (OK)
Hayworth	Meeks (NY)	

□ 1334

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. LARSON of Connecticut. Mr. Speaker, on rollcall Nos. 253 and 254 I was unavoidably detained. Had I been present, I would have voted "yea."

HAPPY BIRTHDAY JAY PIERSON

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, we all appreciate the ladies and gentlemen that work for us and the staff on this floor. They are so helpful in so many ways, and I wonder if the Members would like to join me in wishing a very happy 55th birthday to a very special person, Jay Pierson, on this day.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATHAM). Without objection, the Chair will continue 5-minute voting.

There was no objection.

LIFETIME CONSEQUENCES FOR SEX OFFENDERS ACT OF 2002

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4679, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 4679, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 409, nays 3, not voting 22, as follows:

[Roll No. 255]

YEAS—409

Abercrombie	Brady (TX)	Davis (FL)
Ackerman	Brown (FL)	Davis (IL)
Aderholt	Brown (OH)	Davis, Jo Ann
Akin	Brown (SC)	Davis, Tom
Allen	Bryant	Deal
Andrews	Burr	DeFazio
Armey	Burton	DeGette
Baca	Buyer	Delahunt
Bachus	Calvert	DeLauro
Baird	Camp	DeLay
Baker	Cannon	DeMint
Baldacci	Cantor	Deutsch
Baldwin	Capito	Diaz-Balart
Ballenger	Capps	Dicks
Barcia	Capuano	Dingell
Barr	Cardin	Doggett
Barrett	Carson (IN)	Dooley
Bartlett	Carson (OK)	Doolittle
Barton	Castle	Doyle
Bass	Chabot	Dreier
Becerra	Chambliss	Duncan
Bentsen	Clay	Dunn
Bereuter	Clayton	Edwards
Berkley	Clement	Ehlers
Berman	Coble	Ehrlich
Berry	Collins	Emerson
Biggert	Combest	Engel
Bilirakis	Condit	English
Bishop	Conyers	Eshoo
Blumenauer	Cooksey	Etheridge
Blunt	Costello	Evans
Boehlert	Cox	Farr
Boehner	Coyne	Fattah
Bonilla	Cramer	Ferguson
Bonior	Crane	Filner
Bono	Crenshaw	Flake
Boozman	Crowley	Fletcher
Borski	Cubin	Foley
Boswell	Culberson	Forbes
Boucher	Cummings	Ford
Boyd	Cunningham	Frank
Brady (PA)	Davis (CA)	Frelinghuysen

Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Hill
Hilleary
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—3

Nadler
Scott
Watt (NC)

NOT VOTING—22

Blagojevich
Callahan
Clyburn
Everett
Fossella
Hayworth
Hilliard
Hinojosa
Horn
Jenkins
Kennedy (RI)
LaFalce
Lucas (OK)
McCarthy (NY)
Meeks (NY)
Peterson (MN)
Pryce (OH)
Riley
Sanchez
Traficant
Udall (CO)
Watts (OK)

□ 1344

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: ''A bill to amend title 18, United States Code, to provide a maximum term of supervised release of life for sex offenders.''.

A motion to reconsider was laid on the table.

□ 1345

CHILD OBSCENITY AND PORNOGRAPHY PREVENTION ACT OF 2002

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4623) to prevent trafficking in child pornography and obscenity, to proscribe pandering and solicitation relating to visual depictions of minors engaging in sexually explicit conduct, to prevent the use of child pornography and obscenity to facilitate crimes against children, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4623

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Child Obscenity and Pornography Prevention Act of 2002''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Obscenity and child pornography are not entitled to protection under the First Amendment under Miller v. California, 413 U.S. 15 (1973) (obscenity), or New York v. Ferber, 458 U.S. 747 (1982) (child pornography) and thus may be prohibited.

(2) The Government has a compelling state interest in protecting children from those who sexually exploit them, including both child molesters and child pornographers. ''The prevention of sexual exploitation and abuse of children constitutes a government objective of surpassing importance,'' New York v. Ferber, 458 U.S. 747, 757 (1982) (emphasis added), and this interest extends to stamping out the vice of child pornography at all levels in the distribution chain. Osborne v. Ohio, 495 U.S. 103, 110 (1990).

(3) The Government thus has a compelling interest in ensuring that the criminal prohibitions against child pornography remain enforceable and effective. ''[T]he most expeditious if not the only practical method of law enforcement may be to dry up the market for this material by imposing severe criminal penalties on persons selling, advertising, or otherwise promoting the product.'' Ferber, 458 U.S. at 760.

(4) In 1982, when the Supreme Court decided Ferber, the technology did not exist to: (A) create depictions of virtual children that are indistinguishable from depictions of real children; (B) create depictions of virtual children using compositions of real children to create an unidentifiable child; or (C) disguise pictures of real children being abused by making the image look computer generated.

(5) Evidence submitted to the Congress, including from the National Center for Missing and Exploited Children, demonstrates that technology already exists to disguise depictions of real children to make them unidentifiable and to make depictions of real children appear computer generated. The technology will soon exist, if it does not already, to make depictions of virtual children look real.

(6) The vast majority of child pornography prosecutions today involve images contained on computer hard drives, computer disks, and/or related media.

(7) There is no substantial evidence that any of the child pornography images being trafficked today were made other than by the abuse of real children. Nevertheless, technological advances since Ferber have led many criminal defendants to suggest that the images of child pornography they possess are not those of real children, insisting that the government prove beyond a reasonable doubt that the images are not computer-generated. Such challenges will likely increase after the Ashcroft v. Free Speech Coalition decision.

(8) Child pornography circulating on the Internet has, by definition, been digitally uploaded or scanned into computers and has been transferred over the Internet, often in different file formats, from trafficker to trafficker. An image seized from a collector of child pornography is rarely a first-generation product, and the retransmission of images can alter the image so as to make it difficult for even an expert conclusively to opine that a particular image depicts a real child. If the original image has been scanned from a paper version into a digital format, this task can be even harder since proper forensic delineation may depend on the quality of the image scanned and the tools used to scan it.

(9) The impact on the government's ability to prosecute child pornography offenders is already evident. The Ninth Circuit has seen a significant adverse effect on prosecutions since the 1999 Ninth Circuit Court of Appeals decision in Free Speech Coalition. After that decision, prosecutions generally have been brought in the Ninth Circuit only in the most clear-cut cases in which the government can specifically identify the child in the depiction or otherwise identify the origin of the image. This is a fraction of meritorious child pornography cases. The National Center for Missing and Exploited Children testified that, in light of the Supreme Court's affirmation of the Ninth Circuit decision, prosecutors in various parts of the country have expressed concern about the continued viability of previously indicted cases as well as declined potentially meritorious prosecutions.

(10) In the absence of congressional action, this problem will continue to grow increasingly worse. The mere prospect that the technology exists to create computer or computer-generated depictions that are indistinguishable from depictions of real children will allow defendants who possess images of real children to escape prosecution, for it threatens to create a reasonable doubt in every case of computer images even when a real child was abused. This threatens to render child pornography laws that protect real children unenforceable.

(11) To avoid this grave threat to the Government's unquestioned compelling interest in effective enforcement of the child pornography laws that protect real children, a statute must be adopted that prohibits a narrowly-defined subcategory of images.

(12) The Supreme Court's 1982 Ferber v. New York decision holding that child pornography was not protected drove child pornography off the shelves of adult bookstores. Congressional action is necessary to ensure that open and notorious trafficking in such materials does not reappear.

SEC. 3. IMPROVEMENTS TO PROHIBITION ON VIRTUAL CHILD PORNOGRAPHY.

(a) Section 2256(8)(B) of title 18, United States Code, is amended to read as follows:

''(B) such visual depiction is a computer image or computer-generated image that is, or is indistinguishable (as defined in section 1466A) from, that of a minor engaging in sexually explicit conduct; or''.

(b) Section 2256(2) of title 18, United States Code, is amended to read as follows:

''(2)(A) Except as provided in subparagraph (B), 'sexually explicit conduct' means actual or simulated—

''(i) sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex;

''(ii) bestiality;

''(iii) masturbation;

''(iv) sadistic or masochistic abuse; or

''(v) lascivious exhibition of the genitals or pubic area of any person;

''(B) For purposes of subsection 8(B) of this section, 'sexually explicit conduct' means—

''(i) actual sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex, or lascivious simulated sexual intercourse where the genitals, breast, or pubic area of any person is exhibited;

''(ii) actual or lascivious simulated;

''(I) bestiality;

''(II) masturbation; or

''(III) sadistic or masochistic abuse; or

''(iii) actual or simulated lascivious exhibition of the genitals or pubic area of any person;''.

(c) Section 2252A(c) of title 18, United States Code, is amended to read as follows:

''(c)(1) Except as provided in paragraph (2), it shall be an affirmative defense to a charge of violating this section that the alleged offense did not involve the use of a minor or an attempt or conspiracy to commit an offense under this section involving such use.

''(2) A violation of, or an attempt or conspiracy to violate, this section which involves child pornography as defined in section 2256(8)(A) or (C) shall be punishable without regard to the affirmative defense set forth in paragraph (1).''.

SEC. 4. PROHIBITION ON PANDERING MATERIALS AS CHILD PORNOGRAPHY.

(a) Section 2256(8) of title 18, United States Code, is amended—

(1) in subparagraph (C), by striking ''or'' at the end and inserting ''and''; and

(2) by striking subparagraph (D).

(b) Chapter 110 of title 18, United States Code, is amended—

(1) by inserting after section 2252A the following:

''§ 2252B. Pandering and solicitation

''(a) Whoever, in a circumstance described in subsection (d), offers, agrees, attempts, or conspires to provide or sell a visual depiction to another, and who in connection therewith knowingly advertises, promotes, presents, or describes the visual depiction with the intent to cause any person to believe that the material is, or contains, a visual depiction of a minor engaging in sexually explicit conduct shall be subject to the penalties set forth in section 2252A(b)(1), including the penalties provided for cases involving a prior conviction.

''(b) Whoever, in a circumstance described in subsection (d), offers, agrees, attempts, or conspires to receive or purchase from another a visual depiction that he believes to be, or to contain, a visual depiction of a minor engaging in sexually explicit conduct shall be subject to the penalties set forth in section 2252A(b)(1), including the penalties provided for cases involving a prior conviction.

''(c) It is not a required element of any offense under this section that any person actually provide, sell, receive, purchase, possess, or produce any visual depiction.

''(d) The circumstance referred to in subsection (a) and (b) is that—

''(1) any communication involved in or made in furtherance of the offense is communicated or transported by the mail, or in interstate or foreign commerce by any means, including by computer, or any means or instrumentality of interstate or foreign commerce is otherwise used in committing or in furtherance of the commission of the offense;

''(2) any communication involved in or made in furtherance of the offense contemplates the transmission or transportation of a visual depiction by the mail, or in interstate or foreign commerce by any means, including by computer;

''(3) any person travels or is transported in interstate or foreign commerce in the course of the commission or in furtherance of the commission of the offense;

''(4) any visual depiction involved in the offense has been mailed, or has been shipped or transported in interstate or foreign commerce by any means, including by computer, or was produced using materials that have been mailed, or that have been shipped or transported in interstate or foreign commerce by any means, including by computer; or

''(5) the offense is committed in the special maritime and territorial jurisdiction of the United States or in any territory or possession of the United States.'';

(2) in the analysis for the chapter, by inserting after the item relating to section 2252A the following:

''2252B. Pandering and solicitation.''.

SEC. 5. PROHIBITION OF OBSCENITY DEPICTING YOUNG CHILDREN.

(a) Chapter 71 of title 18, United States Code, is amended—

(1) by inserting after section 1466 the following:

''§ 1466A. Obscene visual depictions of young children

''(a) Whoever, in a circumstance described in subsection (d), knowingly produces, distributes, receives, or possesses with intent to distribute a visual depiction that is, or is indistinguishable from, that of a pre-pubescent child engaging in sexually explicit conduct, or attempts or conspires to do so, shall be subject to the penalties set forth in section 2252A(b)(1), including the penalties provided for cases involving a prior conviction.

''(b) Whoever, in a circumstance described in subsection (d), knowingly possesses a visual depiction that is, or is indistinguishable from, that of a pre-pubescent child engaging in sexually explicit conduct, or attempts or conspires to do so, shall be subject to the penalties set forth in section 2252A(b)(2), including the penalties provided for cases involving a prior conviction.

''(c) For purposes of this section—

''(1) the term 'visual depiction' includes undeveloped film and videotape, and data stored on computer disk or by electronic means which is capable of conversion into a visual image, and also includes any photograph, film, video, picture, or computer or computer-generated image or picture, whether made or produced by electronic, mechanical, or other means;

''(2) the term 'pre-pubescent child' means that (A) the child, as depicted, is one whose physical development indicates the child is 12 years of age or younger; or (B) the child, as depicted, does not exhibit significant pubescent physical or sexual maturation. Factors that may be considered in determining significant pubescent physical maturation include body habitus and musculature, height and weight proportion, degree of hair distribution over the body, extremity proportion with respect to the torso, and dentition. Factors that may be considered in determining significant pubescent sexual maturation include breast development, presence of axillary hair, pubic hair distribution, and visible growth of the sexual organs;

''(3) the term 'sexually explicit conduct' has the meaning set forth in section 2256(2); and

''(4) the term 'indistinguishable' used with respect to a depiction, means virtually indistinguishable, in that the depiction is such that an ordinary person viewing the depiction would conclude that the depiction is of an actual minor engaged in sexually explicit conduct. This definition does not apply to depictions that are drawings, cartoons, sculptures, or paintings depicting minors or adults.

''(d) The circumstance referred to in subsections (a) and (b) is that—

''(1) any communication involved in or made in furtherance of the offense is communicated or transported by the mail, or in interstate or foreign commerce by any means, including by computer, or any means or instrumentality of interstate or foreign commerce is otherwise used in committing or in furtherance of the commission of the offense;

''(2) any communication involved in or made in furtherance of the offense contemplates the transmission or transportation of a visual depiction by the mail, or in interstate or foreign commerce by any means, including by computer;

''(3) any person travels or is transported in interstate or foreign commerce in the course of the commission or in furtherance of the commission of the offense;

''(4) any visual depiction involved in the offense has been mailed, or has been shipped or transported in interstate or foreign commerce by any means, including by computer, or was produced using materials that have been mailed, or that have been shipped or transported in interstate or foreign commerce by any means, including by computer; or

''(5) the offense is committed in the special maritime and territorial jurisdiction of the United States or in any territory or possession of the United States.

''(e) In a case under subsection (b), it is an affirmative defense that the defendant—

''(1) possessed less than three such images; and

''(2) promptly and in good faith, and without retaining or allowing any person, other than a law enforcement agency, to access any image or copy thereof—

''(A) took reasonable steps to destroy each such image; or

''(B) reported the matter to a law enforcement agency and afforded that agency access to each such image.

''§ 1466B. Obscene visual representations of pre-pubescent sexual abuse

''(a) Whoever, in a circumstance described in subsection (e), knowingly produces, distributes, receives, or possesses with intent to distribute a visual depiction of any kind, including a drawing, cartoon, sculpture, or painting, that—

''(1) depicts a pre-pubescent child engaging in sexually explicit conduct, and

''(2) is obscene, or who attempts or conspires to do so, shall be subject to the penalties set forth in section 2252A(b)(1), including the penalties provided for cases involving a prior conviction.

''(b) Whoever, in a circumstance described in subsection (e), knowingly possesses a visual depiction of any kind, including a drawing, cartoon, sculpture, or painting, that—

''(1) depicts a pre-pubescent child engaging in sexually explicit conduct, and

''(2) is obscene,

''or who attempts or conspires to do so, shall be subject to the penalties set forth in section 2252A(b)(2), including the penalties provided for cases involving a prior conviction.

''(c) It is not a required element of any offense under this section that the pre-pubescent child depicted actually exist.

''(d) For purposes of this section, the terms 'visual depiction' and 'pre-pubescent child' have respectively the meanings given those terms in seciton 1466A, and the term 'sexually explicit conduct' has the meaning given that term in section 2256(2)(B).

''(e) The circumstance referred to in subsection (a) and (b) is that—

''(1) any communication involved in or made in furtherance of the offense is communicated or

transported by the mail, or in interstate or foreign commerce by any means, including by computer, or any means or instrumentality of interstate or foreign commerce is otherwise used in committing or in furtherance of the commission of the offense;

''(2) any communication involved in or made in furtherance of the offense contemplates the transmission or transportation of a visual depiction by the mail, or in interstate or foreign commerce by any means, including by computer;

''(3) any person travels or is transported in interstate or foreign commerce in the course of the commission or in furtherance of the commission of the offense;

''(4) any visual depiction involved in the offense has been mailed, or has been shipped or transported in interstate or foreign commerce by any means, including by computer, or was produced using materials that have been mailed, or that have been shipped or transported in interstate or foreign commerce by any means, including by computer; or

''(5) the offense is committed in the special maritime and territorial jurisdiction of the United States or in any territory or possession of the United States.

''(f) In a case under subsection (b), it is an affirmative defense that the defendant—

''(1) possessed less than three such images; and

''(2) promptly and in good faith, and without retaining or allowing any person, other than a law enforcement agency, to access any image or copy thereof—

''(A) took reasonable steps to destroy each such image; or

''(B) reported the matter to a law enforcement agency and afforded that agency access to each such image.''; and

(2) in the analysis for the chapter, by inserting after the item relating to section 1466 the following:

''1466A. Obscene visual depictions of young children.

''1466B. Obscene visual representations of prepubescent sexual abuse.''.

(b)(1) Except as provided in paragraph (2), the applicable category of offense to be used in determining the sentencing range referred to in section 3553(a)(4) of title 18, United States Code, with respect to any person convicted under section 1466A or 1466B of such title, shall be the category of offenses described in section 2G2.2 of the Sentencing Guidelines.

(2) The Sentencing Commission may promulgate guidelines specifically governing offenses under section 1466A of title 18, United States Code, provided that such guidelines shall not result in sentencing ranges that are lower than those that would have applied under paragraph (1).

SEC. 6. PROHIBITION ON USE OF MATERIALS TO FACILITATE OFFENSES AGAINST MINORS.

Chapter 71 of title 18, United States Code, is amended—

(1) by inserting at the end the following:

''§ 1471. Use of obscene material or child pornography to facilitate offenses against minors

''(a) Whoever, in any circumstance described in subsection (c), knowingly—

''(1) provides or shows to a person below the age of 16 years any visual depiction that is, or is indistinguishable from, that of a pre-pubescent child engaging in sexually explicit conduct, any obscene matter, or any child pornography; or

''(2) provides or shows any obscene matter or child pornography, or any visual depiction that is, or is indistinguishable from, that of a pre-pubescent child engaging in sexually explicit conduct, or any other material assistance to any person in connection with any conduct, or any attempt, incitement, solicitation, or conspiracy to engage in any conduct, that involves a minor and that violates chapter 109A, 110, or 117, or that would violate chapter 109A if the conduct occurred in the special maritime and territorial jurisdiction of the United States,

shall be subject to the penalties set forth in section 2252A(b)(1), including the penalties provided for cases involving a prior conviction.

''(b) For purposes of this section—

''(1) the term 'child pornography' has the meaning set forth in section 2256(8);

''(2) the terms 'visual depiction', 'pre-pubescent child', and 'indistinguishable' have the meanings respectively set forth for those terms in section 1466A(c); and

''(3) the term 'sexually explicit conduct' has the meaning set forth in section 2256(2).

''(c) The circumstance referred to in subsection (a) is that—

''(1) any communication involved in or made in furtherance of the offense is communicated or transported by the mail, or in interstate or foreign commerce by any means, including by computer, or any means or instrumentality of interstate or foreign commerce is otherwise used in committing or in furtherance of the commission of the offense;

''(2) any communication involved in or made in furtherance of the offense contemplates the transmission or transportation of a visual depiction or obscene matter by the mail, or in interstate or foreign commerce by any means, including by computer;

''(3) any person travels or is transported in interstate or foreign commerce in the course of the commission or in furtherance of the commission of the offense;

''(4) any visual depiction or obscene matter involved in the offense has been mailed, or has been shipped or transported in interstate or foreign commerce by any means, including by computer, or was produced using materials that have been mailed, or that have been shipped or transported in interstate or foreign commerce by any means, including by computer; or

''(5) the offense is committed in the special maritime and territorial jurisdiction of the United States or in any territory or possession of the United States.'';

(2) in the analysis for the chapter, by inserting at the end the following:

''1471. Use of obscene material or child pornography to facilitate offenses against minors.''.

SEC. 7. EXTRATERRITORIAL PRODUCTION OF CHILD PORNOGRAPHY FOR DISTRIBUTION IN THE UNITED STATES.

Section 2251 is amended—

(1) by striking ''subsection (d)'' each place it appears in subsections (a), (b), and (c) and inserting ''subsection (e)'';

(2) by redesignating subsections (c) and (d), respectively, as subsections (d) and (e); and

(3) by inserting after subsection (b) a new subsection (c) as follows:

''(c)(1) Any person who, in a circumstance described in paragraph (2), employs, uses, persuades, induces, entices, or coerces any minor to engage in, or who has a minor assist any other person to engage in, any sexually explicit conduct outside of the United States, its possessions and Territories, for the purpose of producing any visual depiction of such conduct, shall be punished as provided under subsection (e).

''(2) The circumstance referred to in paragraph (1) is that—

''(A) the person intends such visual depiction to be transported to the United States, its possessions, or territories, by any means including by computer or mail;

''(B) the person transports such visual depiction to, or otherwise makes it available within, the United States, its possessions, or territories, by any means including by computer or mail.''.

SEC. 8. STRENGTHENING ENHANCED PENALTIES FOR REPEAT OFFENDERS.

Sections 2251(e) (as redesignated by section 7(2)), 2252(b), and 2252A(b) of title 18, United States Code, are each amended by inserting ''chapter 71,'' immediately before each occurrence of ''chapter 109A,''.

SEC. 9. SERVICE PROVIDER REPORTING OF CHILD PORNOGRAPHY AND RELATED INFORMATION.

(a) Section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032) is amended—

(1) in subsection (b)(1)—

(A) by inserting ''2252B,'' after ''2252A,''; and

(B) by inserting ''or a violation of section 1466A or 1466B of that title,'' after ''of that title),'';

(2) in subsection (c), by inserting ''or pursuant to'' after ''to comply with'';

(3) by amending subsection (f)(1)(D) to read as follows:

''(D) where the report discloses a violation of State criminal law, to an appropriate official of a State or subdivision of a State for the purpose of enforcing such State law.'';

(4) by redesignating paragraph (3) of subsection (b) as paragraph (4); and

(5) by inserting after paragraph (2) of subsection (b) the following new paragraph:

''(3) In addition to forwarding such reports to those agencies designated in subsection (b)(2), the National Center for Missing and Exploited Children is authorized to forward any such report to an appropriate official of a state or subdivision of a state for the purpose of enforcing state criminal law.''.

(b) Section 2702 of title 18, United States Code is amended—

(1) in subsection (b)—

(A) in paragraph (6)—

(i) by inserting ''or'' at the end of subparagraph (A)(ii);

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraph (C) as subparagraph (B);

(B) by redesignating paragraph (6) as paragraph (7);

(C) by striking ''or'' at the end of paragraph (5); and

(D) by inserting after paragraph (5) the following new paragraph:

''(6) to the National Center for Missing and Exploited Children, in connection with a report submitted thereto under section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032); or''; and

(2) in subsection (c)—

(A) by striking ''or'' at the end of paragraph (4);

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by adding after paragraph (4) the following new paragraph:

''(5) to the National Center for Missing and Exploited Children, in connection with a report submitted thereto under section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032); or''.

SEC. 10. SEVERABILITY.

If any provision of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons not similarly situated or to other circumstances, shall not be affected by such invalidation.

SEC. 11. INVESTIGATIVE AUTHORITY RELATING TO CHILD PORNOGRAPHY.

Section 3486(a)(1)(C)(i) of title 18, United States Code, is amended by striking ''the name, address'' and all that follows through ''subscriber or customer'' and inserting ''the information specified in section 2703(c)(2)''.

The SPEAKER pro tempore (Mr. LATHAM). Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill, H.R. 4623, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on April 16, 2002, the Supreme Court of the United States in the case of Ashcroft v. the Free Speech Coalition held that the current definition of child pornography as enacted by the Child Pornography Protection Act of 1996 is overbroad and, thus, unconstitutional.

In response to that decision, Ernest Allen, the president and CEO of the National Center for Missing and Exploited Children, testified that he believes that the Court's decision will result in the proliferation of child pornography in America unlike anything we have seen in more than 20 years. He concluded that, as a result of the Court's decision, thousands of children will be sexually victimized, most of whom will not report the offense.

Technology will exist, or may exist today, to create depictions of virtual children that are indistinguishable from depictions of real children. Just the mere possibility that such technology exists will make it impossible for law enforcement and prosecutors to enforce the child pornography laws in cases where computers are involved.

A vast majority of child pornography prosecutions today involve images contained on computer hard drives, computer disks or related media. A computer image seized from a child pornographer is rarely a first-generation product. These pictures are e-mailed over and over again or scanned in from photographs of real children being abused and exploited. The transmission of images over an e-mail system can alter the image and make it impossible for even an expert to know whether or not a particular image depicts a real child. If the original image has been scanned from a paper version into a digital format, accurate analysis can be even more difficult because proper forensic delineation may depend upon the quality of the image scanned and the tools used to scan it. As a result, the prosecution of child pornography cases that involve a computer in any form are threatened.

Convicted child pornographers are appealing their cases with claims that the government must prove that the child in the picture is real. This can be an insurmountable burden on the prosecution. In fact, on May 1, the committee received testimony that while there are estimates that hundreds of thousands of child pornography files are in existence and available on the Internet, law enforcement has established the identity of less than 100 children to date.

The government has an obligation to respond to the Supreme Court's decision, as it has an unquestionable compelling interest to protect children from those who would sexually exploit them. The Supreme Court recognized this compelling interest in its 1982 New York v. Ferber decision, holding that child pornography is not protected by the first amendment. The government will not be able to protect real children unless it can effectively prosecute and enforce child pornography laws. In order to do that, a statute must be adopted that narrows the definition of child pornography to withstand constitutional muster.

H.R. 4623, the Child Obscenity and Pornography Prevention Act of 2002, does that. In response to the Court's decision, this bill narrows the definition of child pornography, strengthens the existing affirmative defense, amends the obscenity laws to address virtual and real child pornography that involve visual depictions of pre-pubescent children, creates new offenses against pandering visual depictions as child pornography, and creates new offenses against providing children obscene or pornographic material.

Mr. Speaker, this is carefully crafted legislation that will help to protect our children from the worst predators in our society. I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4623 is a hasty attempt to override the United States Supreme Court decision of just 2 months ago, Ashcroft v. Free Speech Coalition. Unfortunately, it tries to do exactly what the Supreme Court said could not be done. H.R. 4623 seeks to ban virtual child pornography. It not only defines child pornography to include virtual child pornography that is indistinguishable from real child pornography, but makes even possession of an image that is indistinguishable a crime. Child pornography may be banned and prosecuted. However, pornography that does not involve a real child is just that, pornography which, if not obscene, has been ruled by the Supreme Court to be not illegal. To constitute child pornography, a real child must be involved. The Supreme Court has ruled that computer-generated images depicting childlike characters which do not involve real children do not constitute child pornography any more than a movie with a 22-year-old actor who plays and looks like a 15-year-old engaging in sex would be illegal.

The Supreme Court has ruled that pornography, computer-generated or not, which is not produced using real children, and is not otherwise obscene, is protected under the first amendment. H.R. 4623, like the CPPA struck down in Ashcroft v. Free Speech, attempts to ban this protected material and therefore is likely to meet the same fate. The fatal flaw in the CPPA was its criminalization of speech that was neither obscene under Supreme Court guidelines nor child pornography involving the abuse of real children under New York v. Ferber.

H.R. 4623 repeats that mistake. Like the CPPA, this bill would not only criminalize speech that is not obscene but also speech that has redeeming literary, artistic, political or other social value. For example, the bill would punish therapists and academic researchers who used computer-generated images in their research and filmmakers who create explicit anti-child abuse documentaries.

The bill creates a strict liability offense. Under the bill, prohibited images may not be possessed for any reason, however legitimate. Therefore, any scholarly research that may be used to verify or refute the underlying assumptions in the bill is rendered impossible. Proponents of the bill believe the Court left open the question of whether the government can criminalize computer-generated images that are not obscene and do not involve real children. Obscene images can always be prosecuted, but the Court clearly said that the government cannot criminalize images which are not obscene unless the product involved actual children.

In striking down the bill and upholding its decision in Ferber, the Supreme Court stated: ''In contrast to the speech in Ferber, speech that itself is the record of sexual abuse, the CPPA prohibits speech that records no crime and creates no victims by its production. Virtual child pornography is not intrinsically related to the sexual abuse of children as were the materials in Ferber. Ferber, then, not only referred to the distinction between actual and virtual child pornography, it relied on it as a reason for supporting its holding. Ferber provides no support for a statute that eliminates the distinction and makes the alternative mode criminal as well.''

In interpreting the Osborne case of 1990, the Court said: ''Osborne also noted the State's interest in preventing child pornography from being used as an aid in the solicitation of minors. The Court, however, anchored its holding in the concern for the participants, those whom it called the victims of child pornography. It did not suggest that, absent this concern, other governmental interests would suffice. The case reaffirmed that where the speech is neither obscene nor the product of sexual abuse, it does not fall outside the protection of the first amendment. The distribution of descriptions or other depictions of sexual conduct, not otherwise obscene, which do not involve live performance or photographic or other visual reproduction of live performances, retains first amendment protection.''

Proponents also argue that the Court did not consider the harm to real children that will occur when, through technological advances, it may become impossible to tell whether it is real children or virtual children, thereby allowing harm to real children because the government cannot tell the difference for purposes of bringing prosecution. The Court did consider that and said: ''The government next argues that its objective of eliminating the market for pornography produced using real children necessitates a prohibition on virtual images as well. Virtual images, the government contends, are indistinguishable from real ones; they are part of the same market and are often exchanged. In this way, it is said, virtual images promote the trafficking in works produced through the exploitation of real children. The hypothesis is somewhat implausible. If virtual images were identical to illegal child pornography, the illegal images would be driven from the market by the indistinguishable substitutes. Few pornographers would risk prosecution by abusing real children if fictional, computerized images would suffice.''

Nor was the Court persuaded, Mr. Speaker, by the argument that virtual images will make it very difficult for the government to prosecute cases. As to that concern, the Court stated: ''Finally, the government says that the possibility of producing images by using computer imaging makes it very difficult for it to prosecute those who produce pornography by using real children. Experts, we are told, may have difficulty in saying whether the pictures were made by using real children or by using computer imaging. The necessary solution, the argument runs, is to prohibit both kinds of images. The argument, in essence, is that protected speech may be banned as a means to ban unprotected speech. This analysis turns the first amendment upside down. The government may not suppress lawful speech as the means to suppress unlawful speech.''

It also talked about the affirmative defense and said: ''To avoid this objection, the government would have us read the CPPA not as a measure suppressing speech but as a law shifting the burden to the accused to prove the speech is lawful. In this connection, the government relies on an affirmative defense under the statute, which allows a defendant to avoid conviction for nonpossession offenses by showing that the materials were produced using only adults and were not otherwise distributed in a manner conveying the impression that they depicted real children. The government raises serious constitutional difficulties by seeking to impose on the defendant the burden of proving his speech is not unlawful. An affirmative defense applies only after prosecution has begun, and the speaker must himself prove, on pain of a felony conviction, that his conduct falls within the affirmative defense. In cases under the CPPA, the evidentiary burden is not trivial. Where the defendant is not the producer of the work, he may have no way of establishing the identity, or even the existence, of the actors. If the evidentiary issue is a serious problem for the government, as it asserts, it will be at least as difficult for the innocent possessor.''

The Ashcroft decision in essence reiterates the principles of Ferber regarding the boundaries for fighting child pornography, like, number one, nonobscene descriptions or depictions of sexual conduct that do not involve real children are a form of speech which, even if despicable, is protected by the first amendment. The Court said that the government should focus its efforts on education and on punishment for violations of the law by those who actually harm children in the creation of child pornography rather than abridging the rights of free speech of those who would create something from their imagination.

□ 1400

Again, the Court said that the fact that the speech may be used to perpetrate a crime is insufficient reason to ban the speech. ''The government may not prohibit speech because it increases the chance an unlawful act will be committed 'at some indefinite future time.''' Further, the Government said, ''The Government may not suppress lawful speech as the means to suppress unlawful speech.''

So, therefore, Mr. Speaker, this bill just reiterates the mistakes in the original legislation. It is unlikely that the bill will ever be upheld and, therefore, ought to be defeated.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. SMITH), the subcommittee chairman.

Mr. SMITH of Texas. Mr. Speaker, first of all, I thank the chairman of the Committee on the Judiciary for yielding me this time.

Mr. Speaker, H.R. 4623, the Child Obscenity and Pornography Prevention Act of 2002, is a bipartisan piece of legislation that was passed by the Committee on the Judiciary 22 to 3. Because I see him on the floor, I would especially like to thank the gentleman from California (Mr. SCHIFF) for his contributions to this bill as well.

Mr. Speaker, H.R. 2623 responds to the Ashcroft v. Free Speech Coalition Supreme Court decision. This decision will have a devastating effect on the prosecution of child pornographers who are so often child molesters as well.

Just this month, a doctor in San Antonio appealed his conviction for possessing child pornography. The appeal came after the Free Speech Coalition decision and challenged the conviction because the government was not required to prove that the children depicted in his pornographic images obtained on-line were real. The San Antonio Express-News reported that these appeals are occurring nationwide.

Mr. Speaker, this legislation addresses the concerns of the Supreme Court. Specifically, this bill narrows the definition of child pornography and amends the obscenity laws to address virtual and real child pornography that involves visual depictions of pre-pubescent children. It also creates new offenses against providing children obscene or pornographic material.

The Court was concerned in Free Speech Coalition that the breadth of the language would prohibit legitimate movies like ''Traffic'' or plays like ''Romeo and Juliet.'' Limiting the definition to computer images or computer-generated images will help exclude ordinary motion pictures from the coverage of ''virtual child pornography.''

Next, the bill narrows the definition by replacing the phrase ''appears to be'' with the phrase ''is indistinguishable from'' and clarifies that this definition does not apply to depictions that are drawings, cartoons, sculptures, or paintings depicting minors or adults.

At the request of the National Center for Missing and Exploited Children, this bill allows the Federally-funded Internet Crimes Against Children Task Forces to receive reports from the Cyber Tipline. These task forces are State and local police agencies that have been identified by the National Center as competent to investigate and prosecute computer-facilitated crimes against children.

Mr. Speaker, finally, in response to a new website that displays pictures of children being raped and sodomized by adults, where the pictures are clearly virtual, but obscene, this bill includes a provision that would enhance the penalties for such obscenity.

Mr. Speaker, children are the most innocent and vulnerable among us. We should do everything we possibly can to protect them, and that is why I hope my colleagues will support this piece of legislation.

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I thank the ranking member for yielding me this time.

These are dangerous times when it comes to child pornography. The Internet has allowed distribution in ways never imagined before, making it much more prevalent throughout our society, at the very time we have a Supreme Court ruling knocking out the prohibition on computer-generated child pornography. We need to respond, and we need to respond immediately. That is why I commend the gentleman from Texas (Mr. SMITH), the chairman of the subcommittee, and others who have worked on this legislation, including the gentleman from Florida (Mr. FOLEY) and the gentleman from Texas (Mr. LAMPSON). This has been a truly bipartisan effort to forge immediately a response that will withstand constitutional review and put back into

the code strong protections for our children against child pornography.

In the end, make no bones about it. This is about protecting our children. Meetings I have held with prosecutors, with child protection advocates, have made it very clear to me that the use of child pornography is damaging to children, sets them up as targets for ultimate exploitation, and whets the appetite of the exploiters, making them more likely to commit acts against our children.

The Attorney General and the Justice Department were very involved in assembling a panel of constitutional experts reviewing the court ruling and fashioning a legislative response that will withstand court review. This is not about some immediate, knee-jerk response to a Supreme Court ruling that causes us concern. This is a carefully calibrated effort to put back into the code constitutional standards and prohibitions now needed to be restored against virtual child pornography. There are new constitutionally compliant definitions about the virtual imagery that we are condemning, a tighter and stronger affirmative defense for those prosecuted under this, required, as my prosecutors tell me, to allow them to be able to continue to prosecute these matters.

I had a prosecutor in North Dakota tell me he took two cases right off his desk and put them right back into the file, being unable to prosecute them under the court ruling. This will put him back into business in bringing these needed actions.

It stops commercial trade in child pornography: the trading, the selling, the buying. This is not constitutionally protected free speech, and the prohibition is restored with this legislation. It clarifies the definition of obscenity by defining, whether real or virtual, explicit sex involving young children as per se obscene. Clearly, I believe we are on very strong ground that will withstand constitutional muster and make an important contribution to prosecutors trying to bring actions against this kind of material.

There is a severability clause in this legislation, thus raising the very sincere arguments that they have about whether or not this is constitutional. Clearly, the several clauses of this bill are not all constitutional. I absolutely believe they are all constitutional, but, in any event, we should pass the law, have the Justices review it, and I believe ultimately strengthen significantly the protections of our children against child pornography.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I would like to associate myself with the comments of the gentleman from Wisconsin (Mr. SENSENBRENNER) and those of the gentleman from Texas (Mr. SMITH). I believe that in light of the Supreme Court decision of Free Speech Coalition against Ashcroft, Congress must act again and immediately to give law enforcement the ability to fight the scourge of child pornography, whether real or virtual.

The Supreme Court struck down provisions of the law passed by this Congress in 1996 because some were poorly defined and too broadly targeted. We have heard some criticism today that this bill is still in conflict with the recent decision by the Supreme Court. I think that criticism is unfounded, and I want to speak for a moment about some of the specific changes we have made to focus and narrow and improve the bill.

In response to the Free Speech Coalition decision, section 3(a) of this bill narrows the definition of child pornography so that it is a computer image or computer-generated image that is, or is indistinguishable from, that of a minor engaging in sexually explicit conduct. This provision narrows the definition in several ways. First, it limits the definition to computer images or computer-generated images; second, it limits the definition by requiring the virtual images be indistinguishable from real images; and, third, it uses the newly defined definition for ''sexually explicit conduct.''

The bill also strengthens the affirmative defense for those charged under the law to address another criticism of the Supreme Court. Finally, the bill also narrows the definition for the offense of pandering material as child pornography.

It is clear from these provisions and others in the bill that the drafting was done very carefully to address the issues raised by the Supreme Court decision and improved the law as the court suggested. I urge my colleagues to support the bill and once again make it clear that some material is so universally offensive that it does not deserve unlimited protect of the first amendment.

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the bill, and I want to commend the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the committee, and the gentleman from Texas (Mr. SMITH), the chairman of the subcommittee, for their work on this issue.

In the Ashcroft decision, the Supreme Court struck down the existing child pornography laws on the basis that they, in addition to prohibiting child pornography that was made by using, by molesting real children, that it also prohibited the use of adults who looked youthful looking, looked like children, and also prohibited virtual pornography, virtual child pornography produced using computers and computer graphics. But effectively, by striking down this law and by stating that only real child pornography could be prosecuted, the court struck the heart out of efforts to prosecute the real thing.

Computer technology has advanced to the point now where it is simply not possible for the government to meet a burden of demonstrating whether images were created using computer technology or the images are real. So the committee and the subcommittee worked together to try to address the concerns that the court raised and, at the same time, restore the ability of prosecutors to bring these cases against those who would victimize and molest children to produce child pornography.

In the Ashcroft decision, it recognized this dilemma, this problem, the need to go after these cases and yet the need to draft the law narrowly, and the court specifically said, we leave open, we leave open the question of whether there could be an affirmative defense; in other words, whether the burden could be shifted on this particular element to the defense to demonstrate that they only used adult actors who looked like children or they only used computer technology. That question was left open.

That is a difficult constitutional question, but if we are to restore the prosecution's ability to prosecute child pornography using real children, we must embrace this affirmative defense as the method to do so. And the law is very narrowly crafted. It prohibits the use, the sales, the pandering of child pornography that is virtually indistinguishable from real, that is generated by computers, but virtually indistinguishable from real, and then it allows the defense to affirmatively defend by saying, no, this was solely developed using computers, or, no, this was developed only by using youthful-looking adults, facts which are much more likely to be in the sole possession of the defense than in the possession of the prosecution.

So what we have is a bill that restores the prosecution's ability to bring these cases, that frames it as narrowly as possible to survive constitutional scrutiny, that indeed makes use of the vehicle the Supreme Court itself identified, that of an affirmative defense.

Will this statute survive against scrutiny by the Supreme Court? I believe it will. It will be a tough decision, but the fact of the matter is, in the absence of this legislative action, we will simply be incapable of prosecuting child pornography. I urge Members to support the bill.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1½ minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, many of us serve on the Committee on the Judiciary because we have a legal degree from a good law school, we have a great legal education, but let me tell my colleagues, a

legal education sometimes is a terrible thing to inflict on society. I think that the Supreme Court must have had too much legal education when they made the decision they made, because we know when our children go on line, when they get on their computers and they see child pornography, we know they can be exploited, we know they can be molested, and we know as parents that it does not make a bit of difference whether it is computer-generated, actual or real.

The Supreme Court said this despicable junk can go on; it is not illegal if it is computer-generated. If a prosecutor cannot play the impossible game of picking out an actual, identifiable child, then the molester goes off, he is free to molest, free to continue to abuse our children.

If there is anything as a society we ought to do, it is protect our young people. If there is anything we ought to do, it is stop playing legal games with our fine legal educations and start doing what ought to be done, and that is protecting our children from these sexual predators no matter whether they use computer-driven images or actual images. It is time to stop it. It is time to stop drawing legal distinctions.

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. NADLER).

□ 1415

Mr. NADLER. Mr. Speaker, this debate is an exercise in surrealism. The Supreme Court recently handed down a decision directly on point. What the sponsors of this bill are trying to do is to overturn a Supreme Court decision that they do not like by statute. We know we cannot do that. Congress cannot overturn a Supreme Court decision.

Now, it is elementary that the first amendment says that one can say, write, draw, or photograph and distribute whatever one wants. The Supreme Court has made one exception to that, or a number of exceptions. One exception is obscenity. If it is obscene, one cannot ban it.

There is another exception: where, to protect children from exploitation, we can stop the distribution of child pornography, defined as pornography that shows children. Why? To protect the children who are exploited in making it.

Now, if the material is itself obscene, we can ban it anyway; but if it is not in itself obscene, it has to be real children, because those are the people we are protecting. The Court clearly said the government cannot criminalize images which are not obscene unless the product involved actual children, because if it does not, the images do not fall outside the protection of the first amendment.

Now we are told by the gentleman from Alabama (Mr. BACHUS) and by the government that the possibility of producing images by using computer imaging, and I am quoting directly from the Supreme Court decision, ''makes it very difficult to prosecute those who produce pornography by using real children. Experts, we are told, may have difficulty in saying whether the pictures were made by using real children or by using computer imaging.

''The necessary solution, the argument runs,'' and the Court may just as well have been quoting the gentleman from Alabama, ''is to prohibit both kinds of images. In order to enable prosecution of the real thing, you should be able to prosecute the virtual images.'' The Court continues, the Supreme Court of the United States, ''The argument, in essence, is that protected speech may be banned as a means to ban unprotected speech. This analysis turns the first amendment upside down. The government may not suppress lawful speech as a means to suppress unlawful speech.''

So it is very clear. This bill is clearly unconstitutional. It is an exercise in pure politics. It is simply going to get the Supreme Court to rule again, when it has already told us on exactly the same point. The attempt by the bill to slightly narrow the definition does not matter. Either it is obscene or it is not. If it is not obscene, it is protected, unless real children were used in the production of it; and if they were not, it is still protected speech, period.

That is the Court's analysis. If we want to change that, we cannot do it by a law passed here, so we are wasting our time and misleading the public, who think that we are doing something, because we cannot overturn a Supreme Court decision, one I happen to think is correct, but that is beside the point. We cannot overturn a Supreme Court interpretation of the Constitution of the United States by a bill in Congress.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the public demands that we do something about child pornography, and the type that now has beset us across the Internet world is even worse than some of the expected child pornography that we have contemplated over the years.

What we are doing here is not trying to overturn the constitutional questions that the Supreme Court used in its rejection of the last case, but rather, to conform to the standards that the Supreme Court has set forth in its very rejection of the first statute.

So it uses words like ''indistinguishable'' and ''broad'' or ''less broad'' than the language that was contained in the first bill that was knocked down by the Supreme Court.

It comes down to this: we want to protect everyone from sex pornography of all sorts, but particularly that involving infants and youngsters. So we have to do everything we can, and the authors of this legislation did everything that they could to make it conform to constitutional standards.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I thank the gentleman for yielding time to me, and I thank the chairman for his hard work on this issue, as well the gentleman from Texas (Mr. SMITH).

I have heard terms described today that this has been rushed to the floor of the House. Maybe those who claim it has been rushed have not had a chance to see the virtual pornography that has been created since the Supreme Court's ruling, endangering our children, virtually created; horrible portrayals of our young and most fragile citizens on the Internet.

Today's passage of this legislation is a pedophile's worst nightmare. Congress is one step closer to helping the High Court side with children over pedophiles.

Mr. Speaker, I ask Members to make no mistake about it. We are not talking about Scooby Doo or Lilo & Stitch, American Beauty, or any of the other characterizations that have been lobbed against the passage of this legislation. The images of exploited children are indeed virtually indistinguishable from the real thing. Our legislation unshackles prosecutors so they can start protecting the children once again.

In the past, prosecution was swift and severe, for good reason, when sexual images of exploited minors were found in someone's possession. Now, after the Supreme Court ruling, unless the prosecutors can find the child in the photo, even if the photo is 10 or 20 years old, the pedophiles walk free. Prosecutors never needed to match the photos with the child, since that is nearly impossible with the laundering system that has been developed from State to State and country to country.

I urge the High Court to reconsider the consequences of its actions the next time they rule on legislation dealing with the protection of our children.

Lastly, we need to get this ban through the Senate and onto the President's desk immediately. With every passing day, another pedophile escapes prosecution because of this flawed ruling of the Supreme Court. Let us stop wasting time and start focusing on protecting our children.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1½ minutes to the gentleman from Nebraska (Mr. OSBORNE).

Mr. OSBORNE. Mr. Speaker, I thank the gentleman from Texas (Mr. SMITH) and the gentleman from Florida (Mr. FOLEY) for bringing this legislation forward.

Many times, defenders of the first amendment claim that what we hear and see has no bearing on our behavior; hence, pornography is harmless. If this is true, why is it that advertisers spend billions of dollars annually? Obviously, there is a strong connection between what we see and what we hear and what we do.

A recent study indicates that 80 percent of molesters of boys regularly use

hard-core pornography, and 90 percent of molesters of girls use hard-core pornography.

The important thing to realize here is that these people, these perpetrators, are incited by an image. It does not make any difference whether that image is real or virtual. They are incited by that image, and real children are hurt. That is the whole issue, that real children are being hurt by this practice.

Pornography is a $15 billion business or industry in our Nation. There were 1 million porn sites on the Internet. This has become a real threat to our young people, and it has become a national disgrace. The courts have consistently allowed more and more obscene material under first amendment protection.

The Supreme Court recently overturned a law similar to H.R. 4623. The courts have overturned three other laws in the past 6 years intended to control the spread of pornography. This has inflicted great damage on our young people and on our culture.

Hopefully, H.R. 4623 is written tightly enough that it will withstand a court challenge. I believe it is. The stakes are too high not to try. I urge adoption of H.R. 4623.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

(Mr. WAMP asked and was given permission to revise and extend his remarks.)

Mr. WAMP. Mr. Speaker, I thank the distinguished chairman for yielding time to me, and I appreciate his willingness to stand in the gap for something that is right, and also the authors of the bill.

Mr. Speaker, I come as a father. I have a 15-year-old son and a 13-year-old daughter. Like most teenagers in America today, they spend more time on the Internet than I would personally care for. However, that is the reality that we live in.

I think we have an obligation as legislators to try to keep up with the incredible growth of technology through the Internet and the Internet communication, because if we just buried our heads in the sand and took the position of one of the speakers a moment ago and said that the Congress cannot do anything, basically, about a Supreme Court ruling, I think that is nonsense. We have an obligation to come with new legislation so we can find the right cure that is acceptable before the Supreme Court, and that is what I think this is.

We should persevere, here. This is a world that changes day by day. We are in the Information Age, the third great wave of change in our country. In the Information Age, we are going to see more and more virtual everything, where if one has a headset on, one might not know where they are at times. As a result, we have an obligation to protect our children.

One of my greatest fears as a parent is a pedophile preying on my children. There are child lures through the Internet now that are so dangerous and so manipulative that we have to have protections for our children who are in this cyberworld and they are unprotected. That is a reality.

We have an obligation as Federal legislators to work within our constitutional law to find a remedy. That is what this bill represents. Frankly, if the Supreme Court rejects this, we need to come back with another bill and continue to persevere until we find something that is acceptable before the Court so our children are protected. This is fundamental to our job and our responsibility as Federal legislators.

I commend the authors and the committee for taking it up; and if we have to come back to the well again and again and again, we should.

Mr. SCOTT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I just wanted to make two different points. First, the question has been raised about how difficult it is for the government to actually prosecute the cases.

The Supreme Court dealt with that when they said, in throwing out the previous language: ''The government raises serious constitutional difficulties by seeking to impose on the defendant the burden of proving that his speech is not unlawful. That affirmative defense applies only after the prosecution has begun, and the speaker must himself prove on the pain of felony conviction that his conduct falls within the affirmative defense.''

It goes on to say: ''Where the defendant is not the producer of the work, he may have no way of establishing the identity or even the existence of actors. If the evidentiary issue is a serious problem for the government, as it asserts, it will be at least as difficult for the innocent possessor.'' It dealt with the issue of prosecution and said that is not something that can be used.

Also, let me cite another part of the case. It says: ''The government says that indirect harms are sufficient because, as Ferber acknowledged, child pornography rarely can be valuable speech . . . This argument, however, suffers from two flaws. First, Ferber's judgment about child pornography was based on how it was made, not on what it communicated. The case reaffirmed that where speech is neither obscene nor the product of sexual abuse, it does not fall outside the protection of the first amendment.''

And second: ''Ferber did not hold that child pornography is by definition without value. On the contrary, the Court recognized that some works in the category might have significant value, but relied on virtual images, the very images prohibited by the CPPA, as an alternative and permissible means of expression.''

Finally, Mr. Speaker, let me just say that the word ''indistinguishable'' has been used. The only thing indistinguishable in this debate is that this bill is indistinguishable from the law the Supreme Court threw out just 2 months ago, and this bill should therefore be defeated.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this bill is necessary for two reasons: first, the technology has gotten so good that it is very hard to determine whether the picture that is being transmitted and retransmitted on the Internet is a real child or a computer-created child. That means that if the government cannot prove that a real child was used, then the person who is the defendant will be able to walk out of the courtroom scot-free.

Secondly, as has been stated previously, every conviction of child pornographers as a result of the Ashcroft v. Free Speech Coalition decision is placed in jeopardy because at the time the prosecution took place, it was not a requirement that the government prove beyond a reasonable doubt that it was a real child that was being used for this purpose.

So the Ashcroft decision virtually guts our child pornography laws. That is why the Supreme Court has to be given an opportunity to reflect on the consequences of its decision. What this bill does is it attempts to respond to Ashcroft v. Free Speech Coalition in a way that we can have constitutional and effective anti-child pornography laws in this age of computers, the Internet, and e-mails.

Mr. Speaker, I urge every Member who is concerned about having that type of a law to vote ''aye'' on the motion to suspend the rules.

Mr. GOODLATTE. Mr. Speaker, new technologies offer a wide variety of resources for research and communication; however, we must face the reality that technology can also be used or harm. For example, computers may be used to generate pornographic depictions of children. In addition, the Internet offers predators unparalleled access to our children and can provide an avenue for abuse and exploitation. The Internet has become a attractive arena for child sex abusers, child pornographers and pedophiles because it is easy for them to share images and information about children and to make contact with children.

As advances in technology began to threaten the protection of children by interfering with the effective prosecution of the child pornography laws that cover the visual depictions of real children, Congress in 1996 attempted to address this concern with the ''Child Pornography Prevention Act.'' The 1996 language included a prohibition of any virtual depictions as well as pictures of youthful-looking adults. However, in a disturbing decision on April 16, 2002, the Supreme Court ruled in Ashcroft v. the Free Speech Coalition that this language was overbroad and unconstitutional, paving the way for child molesters to hide their abuse behind technology; for example, with altered photographs of their victims.

Computer technology exists today to disguise depictions of real children to make them unidentifiable and to make depictions of real children appear compute generated. Furthermore, future technology will have the capability to make depictions of virtual children look real and completely indistinguishable.

Congress has a compelling interest to protect children from sexual exploitation. Sexually explicit computer images that are virtually indistinguishable from images of real minors engaged in sexually explicit conduct poses a serious danger to future prosecutions involving child pornography. The April 16 Supreme Court decision gives protection to child molesters who may claim that the images they possess are not those of real children, insisting that the government prove beyond a reasonable doubt that the images are not computer-generated. To prove a child is real will require identifying the actual child. This is usually impossible since many of the victimized children are from third world countries. The impossible task of identifying the child will allow child molesters and pornographers to escape prosecution for their crimes against children.

Child pornography, virtual or otherwise, is detrimental to our nation's children. Regardless of the method of its production, child pornography is used to promote and incite deviant and dangerous behavior in our society.

I urge each of my colleagues to join me in support H.R. 4623, which will address the April 16 Supreme Court decision in Ashcroft v. the Free Speech Coalition to ensure the continued protection of children from sexual exploitation.

Mr. PAUL. Mr. Speaker, as a parent, grandparent and OB–GYN who has had the privilege of delivering over 4,000 babies, I share the revulsion of all decent people at child pornography. Those who would destroy the innocence of children by using them in sexually-explicit material deserve the harshest punishment. However, the Child Obscenity and Pornography Prevention Act (H.R. 4623) exceeds Congress' constitutional power and does nothing to protect any child from being abused and exploited by pornographers. Instead, H.R. 4623 redirects law enforcement resources to investigations and prosecutions of ''virtual'' pornography which, by definition, do not involve the abuse or exploitation of children. Therefore, H.R. 4623 may reduce law enforcement's ability to investigate and prosecute legitimate cases of child pornography.

H.R. 4623 furthers one of the most disturbing trends in modern politics, the federalization of crimes. We have been reminded by both Chief Justice William H. Rehnquist and former U.S. Attorney General Ed Meese that more federal crimes, while they make politicians feel good, are neither constitutionally sound nor prudent. Rehnquist has stated that ''The trend to federalize crimes that traditionally have been handled in state courts . . . threatens to change entirely the nature of our federal system.'' Meese stated that Congress' tendency in recent decades to make federal crimes out of offenses that have historically been state matters has dangerous implications both for the fair administration of justice and for the principle that states are something more than mere administrative districts of a nation governed mainly from Washington.

Legislation outlawing virtual pornography is, to say the least, of dubious constitutionality. The constitution grants the federal government jurisdiction over only three crimes: treason, counterfeiting, and piracy. It is hard to stretch the definition of treason, counterfeiting, or piracy to cover sending obscene or pornographic materials over the internet. Therefore, Congress should leave the issue of whether or not to regulate or outlaw virtual pornography to states and local governments.

In conclusion, Mr. Speaker, while I share my colleagues' revulsion at child pornography, I do not believe that this justifies expanding the federal police state to outlaw distribution of pornographic images not containing actual children. I am further concerned by the possibility that passage of H.R. 4623 will divert law enforcement resources away from the prosecution of actual child pornography. H.R. 4623 also represents another step toward the nationalization of all police functions, a dangerous trend that will undermine both effective law enforcement an constitutional government. It is for these reasons that I must oppose this well-intentioned but fundamentally flawed bill.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

□ 1430

The SPEAKER pro tempore (Mr. GUTKNECHT). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 4623, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SEX TOURISM PROHIBITION IMPROVEMENT ACT OF 2002

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4477) to amend title 18, United States Code, with respect to crimes involving the transportation of persons and sex tourism, as amended.

The Clerk read as follows:

H.R. 4477

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Sex Tourism Prohibition Improvement Act of 2002''.

SEC. 2. SECTION 2423 AMENDMENTS.

(a) IN GENERAL.—Section 2423 of title 18, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) TRAVEL WITH INTENT TO ENGAGE IN ILLICIT SEXUAL CONDUCT.—A person who travels in interstate commerce or travels into the United States, or a United States citizen or an alien admitted for permanent residence in the United States who travels in foreign commerce, for the purpose of engaging in any illicit sexual conduct with another person shall be fined under this title or imprisoned not more than 15 years, or both.

''(c) ENGAGING IN ILLICIT SEXUAL CONDUCT IN FOREIGN PLACES.—Any United States citizen or alien admitted for permanent residence who travels in foreign commerce, and engages in any illicit sexual conduct with another person shall be fined under this title or imprisoned not more than 15 years, or both.

''(d) ANCILLARY OFFENSES.—Whoever arranges, induces, procures, or facilitates the travel of a person knowing that such a person is traveling in interstate commerce or foreign commerce for the purpose of engaging in illicit sexual conduct shall be fined under this title, imprisoned not more than 15 years, or both.

''(e) ATTEMPT AND CONSPIRACY.—Whoever attempts or conspires to violate subsection (a), (b), (c), or (d) shall be punishable in the same manner as a completed violation of that subsection.

''(f) DEFINITION.—As used in this section, the term 'illicit sexual conduct' means (1) a sexual act (as defined in section 2246) with a person that would be in violation of chapter 109A if the sexual act occurred in the special maritime and territorial jurisdiction of the United States; or (2) any commercial sex act (as defined in section 1591) with a person who the individual engaging in the commercial sex act, knows or should have known has not attained the age of 18 years.''.

(b) CONFORMING AMENDMENT.—Section 2423(a) of title 18, United States Code, is amended by striking ''or attempts to do so,''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4477 currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

H.R. 4477, the Sex Tourism Prohibition Improvement Act of 2002, addresses a number of problems related to persons who travel to foreign countries and engage in illicit sexual relations with minors. According to the National Center for Missing and Exploited Children, child-sex tourism contributes to the sexual exploitation of children and is increasing. There are more than 100 websites devoted to promoting teenage commercial sex in Asia alone. Because poorer countries are often under economic pressure to develop tourism, those governments often turn a blind eye towards this devastating problem. As a result, children around the world have been trapped and exploited by the sex tourism industry.

While much of the initial attention on child-sex tourism focused on Thailand and other countries of Southeast Asia, it has become disturbingly clear in recent years that there is no hemisphere, continent, or region unaffected by the child-sex trade. While it is difficult to precisely measure the exact number of children affected by sex tourism, experts agree that the number is well into the millions worldwide.

Some of the foreign countries experiencing the most significant problems with sex tourism, such as Nicaragua, Costa Rica, Thailand, and the Philippines, have requested that the United States act to deal with this growing

problem. For reasons ranging from ineffective law enforcement, lack of resources, corruption or generally immature legal systems, U.S. sex tourists often escape prosecution in those countries. It is in those instances that the United States has an interest in pursuing criminal charges in the United States.

Current law requires the Government to prove that the defendant traveled to a foreign country with the intent to engage in sex with a minor. H.R. 4477 eliminates the intent requirement where the defendant completes the travel and actually engages in the illicit sexual activity with a minor.

The bill also criminalizes the actions of sex tour operators by prohibiting persons from arranging, inducing, procuring or facilitating the travel of a person knowing that such a person is traveling in interstate or foreign commerce for the purpose of engaging in illicit sexual conduct with a minor.

The legislation will also close significant loopholes in the law that persons who travel to foreign countries seeking sex with children are currently using to their advantage in order to avoid prosecution. I urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

I rise in opposition to the bill. The bill is way overbroad in its application, so much so that it would make it a felony, up to 15 years in prison, for the older of two teen-age high school students to attempt or even talk about and agree to travel across State lines or foreign boundaries to engage in consensual sexual activity, including what is referred to as heavy petting, since the provision covers even touching through the definition of sexual act.

It is already a serious felony with up to 15 years in prison for such teenagers, one 19 and one 15, to actually engage in these consensual activities in their community, and now we make it another serious felony for them to even to attempt to travel from Virginia to Washington, D.C., to engage in consensual activities or even to just agree to it, since conspiracy would be a crime.

Certainly there are individuals in situations covered by the bill with which we all can agree, such as sexual predators who prey upon children, but we do not want to put wayward teenagers in this group as the bill does.

During the committee markup on the bill, I offered an amendment to eliminate consensual activities between teenagers, but that amendment was rejected.

Since the bill covers foreign travel by United States citizens and resident aliens traveling from the United States, we are dictating to the world our notions of serious felony crimes, regardless of the cultural norms of other countries. Just as the average age of marriage in this country was 15 for a female and 21 for a male only about 50 years ago, other countries have much younger averages now than does the United States and provide for consensual relationships to begin between young people much earlier than we expect in the United States.

This bill covers commercial sex transactions regardless of age or consent of the participants; and since States as well as all civilized foreign countries have laws against the underlying activities at which this bill is aimed, there is no demonstrated need to add more Federal criminal laws to go after consensual activities between teens which have nothing to do with the title or the focus of the bill.

There are some valuable provisions in the bill, and it covers much activity, but it also covers much activity for which a 15-year penalty would actually be bizarre. I hope we would defeat the motion to suspend the rules so that the bill could be amended to include just the valuable provisions without including activities which should not be included.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. SMITH), the subcommittee chairman.

Mr. SMITH of Texas. Mr. Speaker, we all need to thank the chairman the Committee of the Judiciary for introducing H.R. 4477, the Sex Tourism Prohibition Improvement Act of 2002. This legislation amends the Federal criminal code to strengthen our laws against those who travel or those who arrange such travel into and out of the United States for the purpose of sexually exploiting children.

Each year more than one million children worldwide are forced into child prostitution, trafficked and sold for sexual purposes or used in child pornography. This world sex market is a multi-billion dollar industry that denies children their rights, their dignity, and their childhood.

Children in developing countries are vulnerable to this sexual exploitation due to a number of factors, including poverty, social dislocation, family breakdown, and homelessness. In some cases, children seek out customers for economic survival. These circumstances could not change the fact that sex with children is morally reprehensible and widely condemned.

Mr. Speaker, this legislation will send a message to those who go to foreign countries to exploit children that no one can abuse a child with impunity, no matter where the offense is committed.

Under current law, the intent to engage in sexual acts with a minor in a foreign country must be formed prior to traveling. Such intent is often difficult to prove without direct arrangements booked through obvious child sex-tour networks.

This legislation will allow the government to prosecute individuals who travel to foreign countries and engage in illicit sexual conduct with a minor regardless of where the intent to do so was formed.

Mr. Speaker, Congress can help reduce the number of children abused and exploited by passing this legislation today.

Mr. SCOTT. Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Speaker, I thank the gentleman for yielding me time. I thank the chairman for bringing this important legislation forward.

When most Americans travel overseas they do so for educational purposes or for relaxation or simply to immerse themselves in another culture, but others have a more perverse goal in mind. They go with the explicit purpose to lure children in and exploit children with elicit sexual activity. This is something we cannot as Americans countenance.

In my home State of Arizona a television station went down to Mexico to the city of Puerto Vallarta and went to the beach and had someone pose as an underage, clearly informing those who propositioned him that he was under age. He was propositioned several times very quickly. Men prowl the beaches there propositioning kids as young as 8 years old, and it goes on day in and day out. Because of the dire poverty in some areas and lax enforcement, Americans believe that they can get away with that kind of activity, and nothing is to stop them except for their conscience.

This bill says not only do they have to worry about their conscience but they have to worry about the Federal Government coming after them. We will not allow this activity to go forward.

It is clear that Americans traveling from one State to another cannot engage in this kind of activity and to exploit young children. They should not be able to travel to other countries for the purpose of using children there for illicit sexual activity. This is simply wrong.

This legislation will go a long way towards closing the loophole that exists that requires prosecutors to prove intent. Whether intent is formed here or in the foreign country, it should not matter. What matters is the act itself, and we should not allow it to happen.

Again, I thank the chairman. I urge support of the bill.

Mr. PAUL. Mr. Speaker, as appalling as it is that some would travel abroad to engage in activities that are rightly illegal in the United States, legislation of this sort poses many problems and offers little solution. First among these is the matter of national sovereignty. Those who travel abroad and break the law in their host country should be subject to prosecution in that country: it is the responsibility of the host country—not the U.S. Congress—to uphold its own laws. It is a highly unique proposal to suggest that committing a crime in a foreign country against a non-U.S. citizen is

within the jurisdiction of the United States Government.

Mr. Speaker, this legislation makes it a federal crime to ''travel with intent to engage in illicit sexual conduct.'' I do think this is a practical approach to the problem. It seems that this bill actually seeks to probe the conscience of anyone who seeks to travel abroad to make sure they do not have illegal or immoral intentions. It is possible or even advisable to make thoughts and intentions illegal? And how is this to be carried out? Should federal agents be assigned to each travel agency to probe potential travelers as to the intent of their travel?

At a time when federal resources are stretched to the limit, and when we are not even able to keep known terrorists out of our own country, this bill would require federal agents to not only track Americans as they vacation abroad but would require that they be able to divine the intentions of these individuals who seek to travel abroad. Talk about a tall order! As well-intentioned as I am sure this legislation is, I do not believe that it is a practical or well-thought-out approach to what I agree is a serious and disturbing problem. perhaps a better approach would be to share with those interested countries our own laws and approaches to prosecuting those who commit these kinds of crimes, so as to see more effective capture and punishment of these criminals in the countries where the crime is committed.

Mr. SMITH of New Jersey. Mr. Speaker, I rise in strong support of H.R. 4477, the ''Sex Tourism Prohibition Improvement Act.'' Chairman SENSENBRENNER, I thank you for moving this important piece of legislation through your Committee to the House floor and commend you for your leadership on this most serious issue. As the prime author of the ''Victims of Trafficking and Violence Protection Act of 2000,'' legislation that strengthens penalties against those running trafficking rings and provides services as well as protection for victims, I have followed this issue closely.

Sex tourism is a heinous, deplorable activity that is on the rise around the world. In many cases, men prey upon underage girls in prostitution rings who are forced sex slaves. We know that Americans are traveling abroad as part of the sex tourism industry in large numbers. Sadly, it is estimated that there are more than 25 organized sex tour companies based in Miami, New York, and San Diego alone.

Current law states that a person can only be held liable for traveling internationally to engage in sex with a minor if prosecutors can prove he intended to do so before leaving this country. As you might imagine, proving intent in such cases is extremely difficult, basically creating a loophole in the law for men who go abroad to have sex with minors, which in the United States is considered statutory rape.

Thankfully, Chairman SENSENBRENNER's bill will close this intent loophole in the sex tourism industry. While the ''Victims of Trafficking and Violence Protection Act of 2000,'' seeks to punish those running sex trafficking rings and nations that fail to combat human trafficking, the enaction of H.R. 4477 into law will give law enforcement officials the additional powers they need in prosecuting the accomplices of the sex traffickers, those who feed into the industry abroad by paying for sex with minors or other illicit sexual conduct with another person.

Last week, I chaired the International Relations Committee's hearing on the recently released State Department's annual Trafficking in Person's Report. This report ranks countries based on their efforts to combat trafficking, placing them in three different tiers. Countries that fail to take even minimal steps to combat trafficking and are placed on the lowest tier, Tier 3, and will be ineligible to receive non-humanitarian foreign assistance, beginning with the foreign aid budget for FY 2004.

Although some progress has been made, much, much work still needs to be done as the exploitation and bondage of young girls in the sex industry continues to run rampant both in this country and throughout the world. At our hearing, videos were played by human rights groups showing girls as young as 8 and 9 years old being rescued from sex trafficking rings in India and Cambodia. While this is practically unimaginable for decent people to fathom, those involved with the sex industry reason that the younger the girl, the less chance of her infecting the sex tourist with HIV/AIDS.

Sadly we know that many Americans go abroad to prey on young girls in other countries because laws protecting women are very weak, non-existent, or not enforced. I was recently presented a videotape containing undercover footage taken by FOX News near an American military installation in South Korea that shows American military personnel on assignment patrolling establishments where their fellow soldiers were soliciting sex from forced prostitutes.

As Chairman of the House Veteran's Affairs Committee, I have the greatest respect for the men and women who serve in the United States military and it greatly saddens me to report on this case in South Korea before this chamber. A number of my colleagues have joined me in signing a letter to Secretary Rumsfeld asking him to conduct a full investigation into this case.

We must expect the absolute best from the men and women who serve our country while living in foreign countries, both when they are on and off duty. We must also expect any American traveling or living abroad to abide by the standards of decency and respect for women we maintain and set by our laws here in the U.S.—standards we attempt to promote throughout the world through our foreign policy and diplomacy.

As members of Congress, we must continue to fight against the exploitation of women and children through sex trafficking until every person imprisoned in the sex industry is set free. Again, I commend Chairman SENSENBRENNER for his leadership on this issue.

Mrs. MALONEY of New York. Mr. Speaker, I rise in strong support of this legislation.

The exploitation of the world's young women and children in sex trafficking is a tragic human rights offense. Many of these victims are kidnapped, sold, or tricked into brothel captivity.

Trafficking isn't just a problem in other countries. Each year, men, women, and children from all over the world are brought into the United States for the sole purpose of being bought and sold by American citizens for commercial sex. Some estimates place the number as high as 750,000 individuals over the past decade. Instead of dreams of better jobs and better lives, they are trapped into a nightmare of coercion, violence, and disease.

It is important that we protect the victims of the sex trade industry, and punish the predators that exploit them. Made up of recruiters, traffickers, brothel owners, customers and other crime syndicates, the industry profits from the victimization of individuals who cannot defend themselves.

I have worked on the trafficking issue for many years. To stop the actions of sex tour operators like Big Apple Oriental Tours, which is based in New York City, I wrote to the District Attorney and to then-U.S. Attorney General Janet Reno asking them to use State and Federal laws to stop U.S.-based tour groups that feed off the sexual exploitation of impoverished women and young girls in developing countries. New York law prohibits promoting prostitution or profiting from prostitution, yet Big Apple Tours was doing just that.

This legislation would set civil and criminal penalties for certain individuals who engage in sex trafficking. Furthermore, it sets similar penalties for those individuals who arrange these meetings.

We must do more to stop the many human rights abuses inflicted on men, women, and children around the world. Preventing trafficking is an important step to ending the sex trade industry. Although we continue to make important advances in the rights of women throughout the world, as long as there are women whose freedoms, livelihoods, bodies, and souls are held captive because of trafficking, our work will never be done.

I thank the gentleman from Wisconsin for his work on this issue and urge a "yes" vote on this bill.

Mr. SCOTT. Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 4477, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

NEW HAMPSHIRE-VERMONT INTERSTATE SCHOOL COMPACT CONSENT ACT

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3180) to consent to certain amendments to the New Hampshire-Vermont Interstate School Compact.

The Clerk read as follows:

H.R. 3180

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to the amendment to the New Hampshire-Vermont Interstate School Compact which have been agreed to by such

States that is substantially as follows: Article VII D of such compact is amended to read as follows:

''D. AUTHORIZATION PROCEEDINGS.—An interstate district shall authorize the incurring of debts to finance capital projects by a majority vote of the district passed at an annual or special district meeting. Such vote shall be taken by secret ballot after full opportunity for debate, and any such vote shall be subject to reconsideration and further action by the district at the same meeting or at an adjourned session thereof. As an alternative, an interstate district may provide in its articles of agreement that such a vote be conducted by Australian or official balloting under procedures as set forth in the articles of agreement, and that such vote be subject to any method of reconsideration, if any, which the interstate district sets forth in the articles of agreement.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from North Carolina (Mr. WATT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3180.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3180 was introduced by the gentleman from New Hampshire (Mr. BASS) and the gentleman from Vermont (Mr. SANDERS) to amend the New Hampshire-Vermont Interstate School Compact originally approved by Congress in 1969. H.R. 3180 would enable participating interstate school districts to modify the manner in which local school bond issues are considered by the voters. Last year, residents of the Dresden interstate school district, which encompasses the cities of Hanover, New Hampshire, and Norwich, Vermont, voted to approve these changes. The legislatures of New Hampshire and Vermont subsequently ratified these amendments.

Rather than imposing a State or Federal solution upon local school boards, H.R. 3180 maintains the primacy of local school authorities by permitting locally-elected officials to avail themselves of the modified balloting procedures contained in the bill only if they elect to do so.

Mr. Speaker, I urge support of this non-controversial but necessary measure.

Mr. Speaker, I reserve the balance of my time.

Mr. WATT of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3180, to consent to certain amendments to the New Hampshire-Vermont Interstate School Compact.

H.R. 3180 was introduced by the gentleman from New Hampshire (Mr. BASS) and the gentleman from Vermont (Mr. SANDERS) to provide participating interstate school districts with the option of choosing all day so-called Australian balloting to occur to support school construction.

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The proposed amendments make these decisions a matter of local prerogative and do not dictate a statewide or Federal approach to resolving these questions.

The New Hampshire-Vermont Compact was originally approved by Congress in 1969 to increase educational opportunities and promote administrative efficiency. Under the original compact, State and local financial support was channeled into two combined districts to reflect State and local contributions; but because Vermont gave more monetary support than New Hampshire, uneven funding allocations emerged. In 1978, Congress consented to a number of clarifying amendments to the original compact to ensure that participating school districts would receive support commensurate with their contributions.

The substance of H.R. 3180 was initiated by residents of the Dresden School District, seeking to amend the compact to allow all-day voting procedures when voting on whether to incur debt. Presently voting on whether to incur debt is conducted under a town hall meeting format, which permits voting only at the conclusion of the meeting. The residents contend that the Australian all-day voting is superior over the town hall meeting format in at least two respects. First, the all-day format is consistent with the way the district conducts its annual district meetings; and, second, and probably more important, the all-day method would allow more voters to weigh in on critical bond issues.

Mr. Speaker, this bill was reported favorably without amendment from the Committee on the Judiciary, and I urge Members to support this noncontroversial legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from New Hampshire (Mr. BASS), who is the author of the bill.

Mr. BASS. Mr. Speaker, I thank the distinguished chairman of the committee and the gentleman from North Carolina (Mr. WATT) for their having brought this bill to the floor in a timely fashion, and I appreciate their comments which are right on the mark.

This is the kind of issue that would be resolved probably in a matter of days in any school district anywhere in the country. As has been mentioned, the problem is that this particular school district crosses State lines. So, as a result, there is a special procedure whereby they can change their bylaws, and that is the procedure we are undertaking today.

Both the Vermont side of the school district and the New Hampshire side want to have this different so-called ''Australian ballot system'' in place, which allows the polls, so to speak, to be open during the entire period of the school district meeting or a whole day versus just having a period of voting at the end of the meeting when most people have left. Because it requires the approval of both legislatures of the States, which has occurred, and the approval of Congress, because it is an interstate compact, that is why we are here today.

Eighty-eight percent of the district voters supported this rule change. It is supported by the gentleman from Vermont (Mr. SANDERS), and I urge the House to vote affirmatively on this important measure, which needs to be sent to the Senate as soon as possible.

Mr. WATT of North Carolina. Mr. Speaker, I yield as much time as he may consume to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Speaker, I thank the gentleman from North Carolina (Mr. WATT) for yielding me the time. I apologize for being late. I will be very brief.

Mr. Speaker, I rise today in support of H.R. 3180, the New Hampshire-Vermont Interstate School Compact Consent. This bill will permit the residents of the Dresden School District, which includes Norwich, Vermont, and Hanover, New Hampshire, to implement a change in the procedure used to approve bond initiatives.

The Dresden School District, with the approval of the legislatures of Vermont and New Hampshire, wants to be able to implement all-day secret balloting when appropriate instead of the town meeting system, which is the only approved method currently. Given that the communities involved and the respective States have approved this initiative, we in the Congress should grant our approval.

I thank the chairman and ranking member for moving this bill, and I urge its adoption.

Mr. WATT of North Carolina. Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, since the gentleman from Vermont did not get into dairy policy and upset the cows of the chairman of the Judiciary Committee and the speaker pro tempore unduly with his remarks, I will yield back the balance of my time as well.

The SPEAKER pro tempore (Mr. GUTKNECHT). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 3180.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SOCIAL SECURITY PROGRAM PROTECTION ACT OF 2002

Mr. SHAW. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4070) to amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4070

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Social Security Program Protection Act of 2002''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY ORGANIZATIONAL REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 205(j)(5) of the Social Security Act (42 U.S.C. 405(j)(5)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee—

''(A) that is not an individual (regardless of whether it is a 'qualified organization' within the meaning of paragraph (4)(B)); or

''(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title VIII, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of paragraph (7)(B).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended by adding at the end the following new paragraph:

''(8) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this paragraph.''.

(b) TITLE VIII AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 807(i) of the Social Security Act (42 U.S.C. 1007(i)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee—

''(1) that is not an individual; or

''(2) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (l)(2).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 807 of such Act (42 U.S.C. 1007) is amended by adding at the end the following new subsection:

''(j) MISUSE OF BENEFITS.—For purposes of this title, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this subsection.''.

(3) TECHNICAL AMENDMENT.—Section 807(a) of such Act (42 U.S.C. 1007(a)) is amended, in the first sentence, by striking ''for his or her benefit'' and inserting ''for his or her use and benefit''.

(c) TITLE XVI AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 1631(a)(2)(E) of such Act (42 U.S.C. 1383(a)(2)(E)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee—

''(i) that is not an individual (regardless of whether it is a 'qualified organization' within the meaning of subparagraph (D)(ii)); or

''(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title VIII, or any combination of such titles;

misuses all or part of an individual's benefit paid to the representative payee, the Commissioner of Social Security shall make payment to the beneficiary or the beneficiary's alternative representative payee of an amount equal to the amount of the benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii).''.

(2) EXCLUSION OF REISSUED BENEFITS FROM RESOURCES.—Section 1613(a) of such Act (42 U.S.C. 1382b(a)) is amended—

(A) in paragraph (12), by striking ''and'' at the end;

(B) in paragraph (13), by striking the period and inserting ''; and''; and

(C) by inserting after paragraph (13) the following new paragraph:

''(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title as restitution for benefits under this title, title II, or title VIII that a representative payee of such individual (or spouse) or such other person under section 205(j), 807, or 1631(a)(2) has misused.''.

(3) MISUSE OF BENEFITS DEFINED.—Section 1631(a)(2)(A) of such Act (42 U.S.C. 1383(a)(2)(A)) is amended by adding at the end the following new clause:

''(iv) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this clause.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any case of benefit misuse by a representative payee with respect to which the Commissioner makes the determination of misuse on or after January 1, 1995.

SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.

(a) CERTIFICATION OF BONDING AND LICENSING REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZATIONAL REPRESENTATIVE PAYEES.—

(1) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) is amended—

(A) in paragraph (2)(C)(v), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in paragraph (9))'';

(B) in paragraph (3)(F), by striking ''community-based nonprofit social service agencies'' and inserting ''certified community-based nonprofit social service agencies (as defined in paragraph (9))'';

(C) in paragraph (4)(B), by striking ''any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee'' and inserting ''any certified community-based nonprofit social service agency (as defined in paragraph (9))''; and

(D) by adding after paragraph (8) (as added by section 101(a)(2) of this Act) the following new paragraph:

''(9) For purposes of this subsection, the term 'certified community-based nonprofit social service agency' means a community based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in such State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on such agency which may have been performed since the previous certification.''.

(2) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

(A) in subparagraph (B)(vii), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in subparagraph (I))'';

(B) in subparagraph (D)(ii)—

(i) by striking ''or any community-based'' and all that follows through ''in accordance'' in subclause (II) and inserting ''or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance'';

(ii) by redesignating items (aa) and (bb) as subclauses (I) and (II), respectively (and adjusting the margination accordingly); and

(iii) by striking ''subclause (II)(bb)'' and inserting ''subclause (II)''; and

(C) by adding at the end the following new subparagraph:

''(I) For purposes of this paragraph, the term 'certified community-based nonprofit social service agency' means a community based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(b) PERIODIC ONSITE REVIEW.—

(1) TITLE II AMENDMENT.—Section 205(j)(6) of such Act (42 U.S.C. 405(j)(6)) is amended to read as follows:

''(6)(A) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under this title (alone or in combination with benefits payable under title VIII or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subsection, section 807, or section 1631(a)(2) in any case in which—

''(i) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(ii) the representative payee is a certified community-based nonprofit social service agency (as defined in paragraph (9) of this subsection or section 1631(a)(2)(I)); or

''(iii) the representative payee is an agency (other than an agency described in clause (ii)) that serves in that capacity with respect to 50 or more such individuals.

''(B) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to subparagraph (A) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(i) the number of such reviews;

''(ii) the results of such reviews;

''(iii) the number of cases in which the representative payee was changed and why;

''(iv) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(v) the number of cases discovered in which there was a misuse of funds;

''(vi) how any such cases of misuse of funds were dealt with by the Commissioner;

''(vii) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(viii) such other information as the Commissioner deems appropriate.''.

(2) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 101(b)(2) of this Act) is amended further by adding at the end the following new subsection:

''(k) PERIODIC ONSITE REVIEW.—(1) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this section, section 205(j), or section 1631(a)(2) in any case in which—

''(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

''(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

''(2) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(A) the number of such reviews;

''(B) the results of such reviews;

''(C) the number of cases in which the representative payee was changed and why;

''(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(E) the number of cases discovered in which there was a misuse of funds;

''(F) how any such cases of misuse of funds were dealt with by the Commissioner;

''(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(H) such other information as the Commissioner deems appropriate.''.

(3) TITLE XVI AMENDMENT.—Section 1631(a)(2)(G) of such Act (42 U.S.C. 1383(a)(2)(G)) is amended to read as follows:

''(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits

payable under title II or title VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 205(j), or section 807 in any case in which—

''(I) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (I) of this paragraph or section 205(j)(9)); or

''(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.

''(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

''(I) the number of the reviews;

''(II) the results of such reviews;

''(III) the number of cases in which the representative payee was changed and why;

''(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(V) the number of cases discovered in which there was a misuse of funds;

''(VI) how any such cases of misuse of funds were dealt with by the Commissioner;

''(VII) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(VIII) such other information as the Commissioner deems appropriate.''.

SEC. 103. DISQUALIFICATION FROM SERVICE AS REPRESENTATIVE PAYEE UPON CONVICTION OF OFFENSES RESULTING IN IMPRISONMENT FOR MORE THAN 1 YEAR AND UPON FUGITIVE FELON STATUS.

(a) TITLE II AMENDMENTS.—Section 205(j)(2) of the Social Security Act (42 U.S.C. 405(j)(2)) is amended—

(1) in subparagraph (B)(i)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

''(V) obtain information concerning whether such person is a fugitive felon as described in section 1611(e)(4), and''.

(2) in subparagraph (C)(i)(II), by striking ''subparagraph (B)(i)(IV),,'' and inserting ''subparagraph (B)(i)(VI)'' and striking ''section 1631(a)(2)(B)(ii)(IV)'' and inserting ''section 1631(a)(2)(B)(ii)(VI)''; and

(3) in subparagraph (C)(i)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a comma; and

(C) by adding at the end the following new subclauses:

''(IV) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction, or

''(V) such person is in fugitive felon status as described in section 1611(e)(4).''.

(b) TITLE VIII AMENDMENTS.—Section 807 of such Act (42 U.S.C. 1007) is amended—

(1) in subsection (b)(2)—

(A) by striking ''and'' at the end of subparagraph (C);

(B) by redesignating subparagraph (D) as subparagraph (F); and

(C) by inserting after subparagraph (C) the following new subparagraphs:

''(D) obtain information concerning whether such person has been convicted of any other offense under a law of the United States or of any State of the United States which resulted in imprisonment for more than 1 year;

''(E) obtain information concerning whether such person is a fugitive felon as described in section 804(a)(2); and''; and

(2) in subsection (d)(1)—

(A) by striking ''or'' at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

''(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction; or

''(E) such person is in fugitive felon status as described in section 804(a)(2).''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

(1) in clause (ii)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(V) obtain information concerning whether such person is a fugitive felon as described in section 1611(e)(4); and'';

(2) in clause (iii)(II)—

(A) by striking ''clause (ii)(IV)'' and inserting ''clause (ii)(VI)''; and

(B) by striking ''section 205(j)(2)(B)(i)(IV)'' and inserting ''section 205(j)(2)(B)(i)(VI)''; and

(3) in clause (iii)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a semicolon; and

(C) by adding at the end the following new subclauses:

''(IV) if the person has previously been convicted as described in clause (ii)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction; or

''(V) such person is in fugitive felon status as described in section 1611(e)(4).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(e) REPORT TO THE CONGRESS.—The Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration, shall prepare a report evaluating whether the existing procedures and reviews for the qualification (including disqualification) of representative payees are sufficient to enable the Commissioner to protect benefits from being misused by representative payees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act. The Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i) of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Secretary'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of paragraphs (5) and (6). The Commissioner''.

(b) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(D)(i) of such Act (42 U.S.C. 1383(a)(2)(D)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Commissioner'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of subparagraphs (E) and (F). The Commissioner''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner makes the determination of misuse after December 31, 2002.

SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR MISUSED BENEFITS.

(a) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) (as amended by sections 101 and 102 of this Act) is amended further—

(1) by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively;

(2) in paragraphs (2)(C)(v), (3)(F), and (4)(B), by striking ''paragraph (9)'' and inserting ''paragraph (10)'';

(3) in paragraph (6)(A)(ii), by striking ''paragraph (9)'' and inserting ''paragraph (10)''; and

(4) by inserting after paragraph (6) the following new paragraph:

''(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of

benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

''(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under subparagraph (A) of this paragraph and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(b) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 102(b)(2)) is amended further by adding at the end the following new subsection:

''(l) LIABILITY FOR MISUSED AMOUNTS.—

''(1) IN GENERAL.—If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

''(2) LIMITATION.—The total of the amount paid to such individual or such individual's alternative representative payee under paragraph (1) of this subsection and the amount paid under subsection (i) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) (as amended by section 102 of this Act) is amended further—

(1) in subparagraph (G)(i)(II), by striking ''section 205(j)(9)'' and inserting ''section 205(j)(10)''; and

(2) by striking subparagraph (H) and inserting the following:

''(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

''(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) of this subparagraph and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefit misuse by a representative payee in any case with respect to which the Commissioner makes the determination of misuse after December 31, 2002.

SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.

(a) TITLE II AMENDMENTS.—Section 205(j)(3) of the Social Security Act (42 U.S.C. 405(j)(3)) (as amended by sections 102(a)(1)(B) and 105(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

''(E) In any case in which the person described in subparagraph (A) or (D) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (D), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(b) TITLE VIII AMENDMENTS.—Section 807(h) of such Act (42 U.S.C. 1007(h)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

''(3) AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.—In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may, after furnishing notice to such person and the qualified individual, require that such person appear in person at a United States Government facility designated by the Social Security Administration as serving the area in which the qualified individual resides in order to receive such benefit payments.''.

(c) TITLE XVI AMENDMENT.—Section 1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is amended by adding at the end the following new clause:

''(v) In any case in which the person described in clause (i) or (iv) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (iv), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall take effect 180 days after the date of the enactment of this Act.

Subtitle B—Enforcement

SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WRONGFUL CONVERSIONS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1129(a) of the Social Security Act (42 U.S.C. 1320a–8) is amended by adding at the end the following new paragraph:

''(3) Any person (including an organization, agency, or other entity) who, having received, while acting in the capacity of a representative payee pursuant to section 205(j), 807, or 1631(a)(2), a payment under title II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such conversion. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to violations committed after the date of the enactment of this Act.

TITLE II—PROGRAM PROTECTIONS

SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO KNOWING WITHHOLDING OF MATERIAL FACTS.

(a) TREATMENT OF WITHHOLDING OF MATERIAL FACTS.—

(1) CIVIL PENALTIES.—Section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

(A) by striking ''who'' in the first sentence and inserting ''who—'';

(B) by striking ''makes'' in the first sentence and all that follows through ''shall be subject to'' and inserting the following:

''(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading,

''(B) makes such a statement or representation for such use with knowing disregard for the truth,

''(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading, or

''(D) conceals or fails to disclose the occurrence of any event that the person knows, or should know, is material to the determination of any initial or continuing right to the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI,

shall be subject to'';

(C) by inserting ''or each receipt of such benefits or payments while withholding disclosure of such fact'' after ''each such statement or representation'' in the first sentence;

(D) by inserting ''or because of such withholding of disclosure of a material fact'' after ''because of such statement or representation'' in the second sentence; and

(E) by inserting ''or such a withholding of disclosure'' after ''such a statement or representation'' in the second sentence.

(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—Section 1129A(a) of such Act (42 U.S.C. 1320a–8a(a)) is amended—

(A) by striking ''who'' the first place it appears and inserting ''who—''; and

(B) by striking ''makes'' and all that follows through ''shall be subject to,'' and inserting the following:

''(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI that the

person knows or should know is false or misleading,

''(2) makes such a statement or representation for such use with knowing disregard for the truth,

''(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading, or

''(4) conceals or fails to disclose the occurrence of any event that the person knows, or should know, is material to the determination of any initial or continuing right to the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI,

shall be subject to,''.

(b) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of such Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking ''In the case of amounts recovered arising out of a determination relating to title VIII or XVI,'' and inserting ''In the case of any other amounts recovered under this section,''.

(c) CONFORMING AMENDMENTS.—

(1) Section 1129(b)(3)(A) of such Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking ''charging fraud or false statements''.

(2) Section 1129(c)(1) of such Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking ''and representations'' and inserting '', representations, or actions''.

(3) Section 1129(e)(1)(A) of such Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking ''statement or representation referred to in subsection (a) was made'' and inserting ''violation occurred''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed after the later of—

(1) 180 days after the date of the enactment of this Act, or

(2) the earlier of the date on which the Commissioner of Social Security implements the system for issuing the receipts required under subsection (e) of this section or the date on which the Commissioner implements the centralized computer file described in such subsection.

(e) ISSUANCE BY COMMISSIONER OF RECEIPTS TO ACKNOWLEDGE SUBMISSION OF REPORTS OF CHANGES IN EARNING OR WORK STATUS.—Effective 180 days after the date of the enactment of this Act, until such time as the Commissioner of Social Security implements a centralized computer file recording the date of the submission of information by a beneficiary (or representative) regarding a change in the beneficiary's earning or work status, the Commissioner shall issue a receipt to the beneficiary (or representative) each time he or she submits documentation, or otherwise reports to the Commissioner, on a change in such status.

SEC. 202. DENIAL OF TITLE II BENEFITS TO FUGITIVE FELONS AND PERSONS FLEEING PROSECUTION.

(a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

(1) in the heading, by striking ''Prisoners'' and all that follows and inserting the following: ''Prisoners, Certain Other Inmates of Publicly Funded Institutions, and Fugitives'';

(2) in paragraph (1)(A)(ii)(IV), by striking ''or'' at the end;

(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

(4) by inserting after paragraph (1)(A)(iii) the following:

''(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State, or

''(v) is violating a condition of probation or parole imposed under Federal or State law.

In the case of an individual from whom such monthly benefits have been withheld pursuant to clause (iv), the Commissioner may, for good cause shown, pay such withheld benefits to the individual.''; and

(5) in paragraph (3), by adding at the end the following new subparagraph:

''(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

''(i) the beneficiary—

''(I) is described in clause (iv) or (v) of paragraph (1)(A); and

''(II) has information that is necessary for the officer to conduct the officer's official duties; and

''(ii) the location or apprehension of the beneficiary is within the officer's official duties.''.

(b) REGULATIONS.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall promulgate regulations governing payment by the Commissioner, for good cause shown, of withheld benefits, pursuant to the last sentence of section 202(x)(1)(A) of the Social Security Act (as amended by subsection (a)).

SEC. 203. REQUIREMENTS RELATING TO OFFERS TO PROVIDE FOR A FEE A PRODUCT OR SERVICE AVAILABLE WITHOUT CHARGE FROM THE SOCIAL SECURITY ADMINISTRATION.

(a) IN GENERAL.—Section 1140 of the Social Security Act (42 U.S.C. 1320b–10) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

''(4)(A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—

''(i) explains that the product or service is available free of charge from the Social Security Administration, and

''(ii) complies with standards prescribed by the Commissioner of Social Security respecting content of such notice and its placement, visibility, and legibility.

''(B) Subparagraph (A) shall not apply to any offer—

''(i) to serve as a claimant representative in connection with a claim arising under title II, title VIII, or title XVI; or

''(ii) to prepare, or assist in the preparation of, an individual's plan for achieving self-support under title XVI.''; and

(2) in the heading, by striking ''PROHIBITION OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE'' and inserting ''PROHIBITIONS RELATING TO REFERENCES''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to offers of assistance made after the sixth month ending after the Commissioner of Social Security promulgates final regulations prescribing the standards applicable to the notice required to be provided in connection with such offer. The Commissioner shall promulgate such final regulations within one year after the date of the enactment of this Act.

SEC. 204. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS AS CLAIMANT REPRESENTATIVES.

Section 206(a)(1) of the Social Security Act (42 U.S.C. 406(a)(1)) is amended by inserting after the second sentence the following: ''Notwithstanding the preceding sentences, the Commissioner (A) may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe.''.

SEC. 205. PENALTY FOR CORRUPT OR FORCIBLE INTERFERENCE WITH ADMINISTRATION OF SOCIAL SECURITY ACT.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1134 the following new section:

''ATTEMPTS TO INTERFERE WITH ADMINISTRATION OF SOCIAL SECURITY ACT

''SEC. 1135. CORRUPT OR FORCIBLE INTERFERENCE.—Whoever corruptly or by force or threats of force (including any threatening letter or communication) attempts to intimidate or impede any officer, employee, or contractor of the social security administration (including any State employee of a disability determination service or any other individual designated by the commissioner of social security) acting in an official capacity to carry out a duty under this act, or in any other way corruptly or by force or threats of force (including any threatening letter or communication) obstructs or impedes, or attempts to obstruct or impede, the due administration of this act, shall be fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be fined not more than $3,000, imprisoned not more than 1 year, or both. In this subsection, the term 'threats of force' means threats of harm to the officer or employee of the United States or to a member of the family of such an officer or employee.''.

SEC. 206. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE TO SOCIAL SECURITY OR MEDICARE.

(a) IN GENERAL.—Section 1140(a)(1) of the Social Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

(1) in subparagraph (A), by inserting '' 'Centers for Medicare & Medicaid Services',''

after '' 'Health Care Financing Administration','', by striking ''or 'Medicaid', '' and inserting '' 'Medicaid', 'Death Benefits Update', 'Federal Benefit Information', 'Funeral Expenses', or 'Final Supplemental Plan','' and by inserting '' 'CMS','' after '' 'HCFA','';

(2) in subparagraph (B), by inserting ''Centers for Medicare & Medicaid Services,'' after ''Health Care Financing Administration,'' each place it appears; and

(3) in the matter following subparagraph (B), by striking ''the Health Care Financing Administration,'' each place it appears and inserting ''the Centers for Medicare & Medicaid Services,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to items sent after 180 days after the date of the enactment of this Act.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

SEC. 301. CAP ON ATTORNEY ASSESSMENTS.

(a) IN GENERAL.—Section 206(d)(2)(A) of the Social Security Act (42 U.S.C. 406(d)(2)(A)) is amended by inserting '', except that the maximum amount of the assessment may not exceed $100'' after ''subparagraph (B)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act.

SEC. 302. EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM TO TITLE XVI CLAIMS.

(a) IN GENERAL.—Section 1631(d)(2) of the Social Security Act (42 U.S.C. 1383(d)(2)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i)—

(A) by striking ''section 206(a)'' and inserting ''section 206'';

(B) by striking ''(other than paragraph (4) thereof)'' and inserting ''(other than subsections (a)(4) and (d) thereof)''; and

(C) by striking ''paragraph (2) thereof'' and inserting ''such section'';

(2) in subparagraph (A)(i), by striking ''in subparagraphs (A)(ii)(I) and (C)(i),'' and inserting ''in subparagraphs (A)(ii)(I) and (D)(i) of subsection (a)(2)'', and by striking ''and'' at the end;

(3) by striking subparagraph (A)(ii) and inserting the following:

''(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase 'section 1631(a)(7)(A) or the requirements of due process of law' for the phrase 'subsection (g) or (h) of section 223';

''(iii) by substituting, in subsection (a)(2)(C)(i), the phrase 'under title II' for the phrase 'under title XVI';

''(iv) by substituting, in subsection (b)(1)(A), the phrase 'pay the amount of such fee' for the phrase 'certify the amount of such fee for payment' and by striking, in subsection (b)(1)(A), the phrase 'or certified for payment'; and

''(v) by substituting, in subsection (b)(1)(B)(ii), the phrase 'deemed to be such amounts as determined before any applicable reduction under section 1631(g), and reduced by the amount of any reduction in benefits under this title or title II made pursuant to section 1127(a)' for the phrase 'determined before any applicable reduction under section 1127(a))'.''; and

(4) by striking subparagraph (B) and inserting the following new subparagraphs:

''(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this title and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

''(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under section 1631(g) and reduced by the amount of any reduction in benefits under this title or title II pursuant to section 1127(a)), or

''(ii) the amount of past-due benefits available after any applicable reductions under sections 1631(g) and 1127(a).

''(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant's past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

''(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subclause (II), except that the maximum amount of the assessment may not exceed $100.

''(II) The percentage specified in this subclause is such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

''(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant's past-due benefits.

''(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

''(v) Assessments on attorneys collected under this subparagraph shall be deposited in the Treasury in a separate fund created for this purpose.

''(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 1631(d)(2) of the Social Security Act on or after the first day of the first month that begins after 270 days after the date of the enactment of this Act.

(c) REPORT TO THE CONGRESS.—The Commissioner of Social Security, after consulting with representatives of affected beneficiaries and other interested persons, shall prepare a report evaluating the feasibility of extending to non-attorney representatives the fee withholding procedures that apply under titles II and XVI of the Social Security Act for the payment of attorney fees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act, and the Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY SUNSET DATE TO NEW PROJECTS.

Section 234 of the Social Security Act (42 U.S.C. 434) is amended—

(1) in the first sentence of subsection (c), by striking ''conducted under subsection (a)'' and inserting ''initiated under subsection (a) on or before December 17, 2004''; and

(2) in subsection (d)(2), by amending the first sentence to read as follows: ''The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2004.''.

SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE IN CONNECTION WITH DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(c) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended by striking ''(42 U.S.C. 401 et seq.),'' and inserting ''(42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act,''.

SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PROVIDED FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended to read as follows:

''(f) EXPENDITURES.—Administrative expenses for demonstration projects under this section shall be paid from funds available for the administration of title II or title XVIII of the Social Security Act, as appropriate. Benefits payable to or on behalf of individuals by reason of participation in projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, from funds available for benefits under such title II or title XVIII.''.

SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK INCENTIVE SERVICES TO ADDITIONAL INDIVIDUALS.

(a) FEDERAL WORK INCENTIVES OUTREACH PROGRAM.—

(1) IN GENERAL.—Section 1149(c)(2) of the Social Security Act (42 U.S.C. 1320b–20(c)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to grants, cooperative agreements, or contracts entered into on or after the date of the enactment of this Act.

(b) STATE GRANTS FOR WORK INCENTIVES ASSISTANCE.—

(1) DEFINITION OF DISABLED BENEFICIARY.—Section 1150(g)(2) of such Act (42 U.S.C. 1320b–21(g)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) ADVOCACY OR OTHER SERVICES NEEDED TO MAINTAIN GAINFUL EMPLOYMENT.—Section 1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2)) is amended by striking ''secure or regain'' and inserting ''secure, maintain, or regain''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to payments provided after the date of the enactment of this Act.

SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREATMENT FOR CERTAIN PURPOSES OF INDIVIDUAL WORK PLANS UNDER THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Section 1148(g)(1) of the Social Security Act (42 U.S.C. 1320b–19) is amended by adding at the end, after and below subparagraph (E), the following new sentence:

''An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(6)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106-170; 113 Stat. 1921).

Subtitle B—Miscellaneous Amendments

SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN REMAND CASES FULLY FAVORABLE TO THE CLAIMANT.

(a) IN GENERAL.—Section 205(g) of the Social Security Act (42 U.S.C. 405(g)) is amended in the sixth sentence by striking ''and a transcript'' and inserting ''and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to final determinations issued (upon remand) on or after the date of the enactment of this Act.

SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL FROM THE UNITED STATES.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 202(n) of the Social Security Act (42 U.S.C. 402(n)(1), (2)) are each amended by striking ''or (1)(E)''.

(b) EFFECTIVE DATE.—The amendment made by this section to section 202(n)(1) of the Social Security Act shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal notice from the Attorney General after the date of the enactment of this Act. The amendment made by this section to section 202(n)(2) of the Social Security Act shall apply with respect to removals occurring after the date of the enactment of this Act.

SEC. 413. REINSTATEMENT OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) does not apply to any report required to be submitted under any of the following provisions of law:

(1)(A) Section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

(B) Section 1817(b)(2) of the Social Security Act (42 U.S.C. 1395i(b)(2)).

(C) Section 1841(b)(2) of the Social Security Act (42 U.S.C. 1395t(b)(2)).

(2)(A) Section 221(c)(3)(C) of the Social Security Act (42 U.S.C. 421(c)(3)(C)).

(B) Section 221(i)(3) of the Social Security Act (42 U.S.C. 421(i)(3)).

SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING CERTAIN SURVIVOR BENEFITS.

(a) WIDOWS.—Section 216(c) of the Social Security Act (42 U.S.C. 416(c)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''she was married'';

(4) by inserting ''(1)'' after ''(c)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving wife,

''(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity,

''(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior wife continued to remain institutionalized up to the time of her death, and

''(E) the individual married the surviving wife within 60 days after prior wife's death.''.

(b) WIDOWERS.—Section 216(g) of such Act (42 U.S.C. 416(g)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''he was married'';

(4) by inserting ''(1)'' after ''(g)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving husband,

''(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

''(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior husband continued to remain institutionalized up to the time of his death, and

''(E) the individual married the surviving husband within 60 days after prior husband's death.''.

(c) CONFORMING AMENDMENT.—Section 216(k) of such Act (42 U.S.C. 416(k)) is amended by striking ''clause (5) of subsection (c) or clause (5) of subsection (g)'' and inserting ''clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications for benefits under title II of the Social Security Act filed during months ending after the date of the enactment of this Act.

SEC. 415. CLARIFICATION RESPECTING THE FICA AND SECA TAX EXEMPTIONS FOR AN INDIVIDUAL WHOSE EARNINGS ARE SUBJECT TO THE LAWS OF A TOTALIZATION AGREEMENT PARTNER.

Sections 1401(c), 3101(c), and 3111(c) of the Internal Revenue Code of 1986 are each amended by striking ''to taxes or contributions for similar purposes under'' and inserting ''exclusively to the laws applicable to''.

SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN KENTUCKY.

Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting ''Kentucky,'' after ''Illinois,''.

SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY ADVISORY BOARD.

(a) IN GENERAL.—Subsection (f) of section 703 of the Social Security Act (42 U.S.C. 903(f)) is amended to read as follows:

''Compensation, Expenses, and Per Diem

''(f) A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule for each day during which the member is engaged in performing a function of the Board. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective as of January 1, 2002.

Subtitle C—Technical Amendments

SEC. 431. TECHNICAL CORRECTION RELATING TO RESPONSIBLE AGENCY HEAD.

Section 1143 of the Social Security Act (42 U.S.C. 1320b–13) is amended—

(1) by striking ''Secretary'' the first place it appears and inserting ''Commissioner of Social Security''; and

(2) by striking ''Secretary'' each subsequent place it appears and inserting ''Commissioner''.

SEC. 432. TECHNICAL CORRECTION RELATING TO RETIREMENT BENEFITS OF MINISTERS.

(a) IN GENERAL.—Section 211(a)(7) of the Social Security Act (42 U.S.C. 411(a)(7)) is

amended by inserting '', but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires'' before the semicolon.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning before, on, or after December 31, 1994.

SEC. 433. TECHNICAL CORRECTIONS RELATING TO DOMESTIC EMPLOYMENT.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 3121(a)(7)(B) of the Internal Revenue Code of 1986 is amended by striking ''described in subsection (g)(5)'' and inserting ''on a farm operated for profit''.

(b) AMENDMENT TO SOCIAL SECURITY ACT.—Section 209(a)(6)(B) of the Social Security Act (42 U.S.C. 409(a)(6)(B)) is amended by striking ''described in section 210(f)(5)'' and inserting ''on a farm operated for profit''.

(c) CONFORMING AMENDMENT.—Section 3121(g)(5) of such Code and section 210(f)(5) of such Act (42 U.S.C. 410(f)(5)) are amended by striking ''or is domestic service in a private home of the employer''.

SEC. 434. TECHNICAL CORRECTIONS OF OUTDATED REFERENCES.

(a) CORRECTION OF TERMINOLOGY AND CITATIONS RESPECTING REMOVAL FROM THE UNITED STATES.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by section 412) is amended further—

(1) by striking ''deportation'' each place it appears and inserting ''removal'';

(2) by striking ''deported'' each place it appears and inserting ''removed'';

(3) in paragraph (1) (in the matter preceding subparagraph (A)), by striking ''under section 241(a) (other than under paragraph (1)(C) thereof)'' and inserting ''under section 237(a) (other than paragraph (1)(C) thereof) or 212(a)(6)(A)'';

(4) in paragraph (2), by striking ''under any of the paragraphs of section 241(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) thereof)'' and inserting ''under any of the paragraphs of section 237(a) of the Immigration and Nationality Act (other than paragraph (1)(C) thereof) or under section 212(a)(6)(A) of such Act'';

(5) in paragraph (3)—

(A) by striking ''paragraph (19) of section 241(a)'' and inserting ''subparagraph (D) of section 237(a)(4)''; and

(B) by striking ''paragraph (19)'' and inserting ''subparagraph (D)''; and

(6) in the heading, by striking ''Deportation'' and inserting ''Removal''.

(b) CORRECTION OF CITATION RESPECTING THE TAX DEDUCTION RELATING TO HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—Section 211(a)(15) of such Act (42 U.S.C. 411(a)(15)) is amended by striking ''section 162(m)'' and inserting ''section 162(l)''.

(c) ELIMINATION OF REFERENCE TO OBSOLETE 20-DAY AGRICULTURAL WORK TEST.—Section 3102(a) of the Internal Revenue Code of 1986 is amended by striking ''and the employee has not performed agricultural labor for the employer on 20 days or more in the calendar year for cash remuneration computed on a time basis''.

SEC. 435. TECHNICAL CORRECTION RESPECTING SELF-EMPLOYMENT INCOME IN COMMUNITY PROPERTY STATES.

(a) SOCIAL SECURITY ACT AMENDMENT.—Section 211(a)(5)(A) of the Social Security Act (42 U.S.C. 411(a)(5)(A)) is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;''.

(b) INTERNAL REVENUE CODE OF 1986 AMENDMENT.—Section 1402(a)(5)(A) of the Internal Revenue Code of 1986 is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions; and''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. SHAW) and the gentleman from California (Mr. MATSUI) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House today will consider the Social Security Program Protection Act of 2002. It is legislation that would provide the Social Security Administration with the additional tools it needs to fight activities that drain program resources and undermine the financial security of beneficiaries.

Many Social Security and supplemental security income beneficiaries have individuals or organizations called representative payees appointed by the agency to help manage their financial affairs when they are not capable. Nearly 7 million beneficiaries entrust their finances to representative payees who help safeguard their income and make sure expenditures are made in their best interests. Most are conscientious and honest. However, some are not.

This bill raises the standard for representative payees and imposes stricter regulation and monetary penalties on those who take advantage of seniors. The bill also expands the existing prohibition against fugitive felons receiving benefits. In 1996, Congress denied supplemental security income benefits to persons fleeing prosecution or confinement. However, fugitive felons can still receive title II benefits. This is plain wrong, and H.R. 4070 denies benefits to those fleeing justice.

Furthermore, the protection act enhances the ability of the Inspector General to fight fraud through new civil monetary penalties. This will help prevent seniors from being taken advantage of by unscrupulous organizations and individuals who deceptively present themselves as part of the Social Security Administration.

While the bill cracks down on fraud and abuse, it also makes it easier for persons applying for disability benefits to obtain needed legal representation, and it improves the flexibility of the Ticket to Work program to enable more individuals with disabilities to seek and find jobs and achieve self-sufficiency. Also, the bill would amend the Social Security Act to include Kentucky among the States that may divide their retirement systems into two parts and thereby providing Social Security coverage under State agreement only for those State and local workers who choose it.

Ensuring the integrity of Social Security programs is a key responsibility of the agency and of Congress. Taxpayers must be confident that their hard-earned payroll dollars are being spent accurately and wisely. Those who apply for and who receive Social Security benefits must receive timely services and correct and fair decisions. On that we can all agree, and that is why this bill has bipartisan support and was approved unanimously by the Social Security subcommittee.

This bill is the culmination of extensive joint efforts by both the majority and minority Members of the Committee on Ways and Means and the full cooperation and support of the Social Security Administration and the Office of Inspector General. The legislation also benefited from the feedback provisions by advocacy groups and law enforcement agencies. Last, but certainly not least, this bill results in a small amount of savings for both the Social Security trust funds and general revenues.

Today, we have an opportunity to continue our long tradition of achievements on the Social Security program which has been built on a foundation of common ground. Working together over the years, we have removed barriers for individuals with disabilities to return to work. We ended the earnings penalty for seniors who have reached full retirement age; and most recently, the House approved legislation last month to enhance benefits for women.

Working together we can vote today to protect some of the most vulnerable beneficiaries and the integrity of the Social Security program. My hope is that we can continue to build on these important first steps and begin a constructive dialogue to strengthen Social Security for our children, our grandchildren, and for all future generations.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 4070, the Social Security Program Protection Act of 2002. At this time, I would like to congratulate and thank my colleague, the gentleman from Florida (Mr. SHAW), the Chair of the Subcommittee on Social Security of the Committee on Ways and Means, for his cooperation and his work on this particular piece of legislation.

□ 1500

Basically, there are three components of this legislation, Mr. Speaker. We have the representative payee issue

that the gentleman from Florida (Mr. SHAW) spoke about, the attorney's fees section as it pertains to supplemental security income, and there are a number of program protections that were added to the Social Security Administration's laws.

In terms of the representative payee, Mr. Speaker, as many people may not know, if a Social Security recipient has a mental disability, is young or perhaps is of extreme old age, oftentimes that individual needs somebody to care for his or her Social Security check, whether it is a disability check or whether it is a regular Social Security check. So we have under the law what is known as representative payees. This has been in existence for quite some time.

As our hearings and anecdotal information that many of us have received in our congressional districts can attest to, we have had problems with this program over the years because, oftentimes, if the representative payee is not somebody of good character, that person may take the Social Security check, abscond with it, and actually do damage to the normal recipient of the Social Security check.

I had that problem some 12 years ago when a woman, Dorothea Puente, had been a caretaker of a home in which about 15 people were living in and she was the representative payee for all these people. She did not need a bond or a license at that time. She actually murdered a number of these people and took their checks. Finally, when one of the relatives found out about the fact that one of the tenants of the rooming house was missing, that is when it was uncovered that many people had been murdered as a result of her activities and she was receiving these checks.

Basically, what this legislation would do is to tighten up the circumstances in which one could be qualified as a representative payee. If one is an organizational payee, it requires the organization to be both licensed and bonded. Right now, it only requires one or the other. And it would also require inspections of certain representative payees in terms of visiting with them, talking with them, and making sure that in fact they are carrying out their fiduciary responsibilities.

Also, if anyone has been convicted of an offense resulting in prison for more than a year, they would be disqualified, or, obviously, a fugitive or felon would be as well. And it would impose a monetary or civil penalty on a payee who misuses benefits, and there was some obvious ambiguity in the law before this time.

One of the most important provisions is that the beneficiary of the Social Security checks oftentimes lose their savings when the representative payee in fact has taken the money. This would, under a certain showing, would require the representative payee to pay the money back but also would allow the recipient of the benefits to be made whole under a showing of certain circumstances.

Under the second section of the law, the attorney's fee section, Mr. Speaker, many supplemental security recipients need representation, because oftentimes they must seek their claims through the normal administrative review system. This would allow these claimants to have an attorney. Oftentimes, it is hard to get lawyers to represent them because of the way the fee schedule is arranged and also because the attorneys can never be guaranteed they will receive compensation for their work. This would change that by allowing the Social Security Administration to withhold fees for the attorneys and, at the same time, cut the processing fee, which is currently 6.3 percent of the overall attorney fees, to no more than $100.

Lastly, the third element of this program, obviously, would deny benefits to fugitive felons, which is under current law, and persons fleeing prosecution. It would require companies that charge a fee for services under the Social Security Administration, if in fact the administration does not charge a fee, it requires the companies to state it; that, in fact, the Social Security Administration would provide the same services without any compensation or without fee.

There are a number of other provisions, like it bars attorneys who have been disbarred or otherwise disqualified from the practice of representing claimants under the Social Security Act. So this legislation would go a long ways in helping recipients, it would undoubtedly help recipients obtain representation, and it would build in a number of protections for claimants in this Social Security Administration Act.

I would urge support of H.R. 4070; and I want to commend my colleague, the gentleman from Florida (Mr. SHAW), for the work that he has done on this particular legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky (Mr. LEWIS), a valued member of the subcommittee.

Mr. LEWIS of Kentucky. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise today to register my strong support for the Social Security Protection Act of 2002.

Last month, the House passed a bill that would result in higher Social Security for women. It passed 418 to 0. I expect to see the same strong bipartisan support for the legislation we are considering today.

H.R. 4070 is a common-sense bill that provides the Social Security Administration with the necessary resources to fight fraud and abuse within the system. Along with other provisions, this will help save over $165 million over 5 years.

The bill also improves the landmark Ticket to Work bill to help people with disabilities find work. In addition, H.R. 4070 adds Kentucky to the list of States that offer divided retirement systems.

In just over 6 months from now, the governments of the City of Louisville and Jefferson County will merge. Since the merger was approved by the people of Jefferson County in November, 2000, local elected officials have been working to go to ensure a smooth transition.

One important issue that still needs to be addressed is how to provide Social Security and Medicare coverage to hazardous duty employees working for the county and city.

On January 6, 2003, all officers will be considered as a single group for Social Security coverage purposes. Currently, some police officers and firefighters contribute to Medicare but not Social Security, some contribute to both, others neither. Ensuring fair and equitable coverage presents a serious challenge to the new government.

After working with all interested parties, it was agreed a divided retirement system is the solution. Currently, 21 States use this system.

Under a divided retirement system, each employee will decide whether to pay into Social Security. All new employees hired after the system is in place would automatically be enrolled in Social Security.

The Kentucky Division of Social Security has already started the education process with representatives from SSA and the Louisville Fraternal Order of Police. And the Kentucky General Assembly has adopted a bill that allows this system to go forward as soon as Congress approves this legislation and President Bush signs it into law.

This provision is important to the police officers and firefighters in my district. I appreciate the gentleman from Florida (Mr. SHAW) and the gentleman from California (Mr. MATSUI) agreeing to include it in H.R. 4070.

In closing, I urge my colleagues to support this bill.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, I thank the gentleman for yielding me this time.

I thank and commend the authors of this very worthy legislation for bringing it to the floor, but, Mr. Speaker, I must lament the questions that we are not answering about Social Security, which I think are far more fundamental.

As we speak today, for every $100 our government is spending, we are only bringing in about $90 worth of revenue. The way we are making up the $10 difference is to reach first into the Social Security Trust Fund to fund the operations of this government. That is the number one issue about Social Security, stopping that practice.

We need to bring together the leadership of the House and the Senate to sit around the kitchen table, as many American families did after the disaster of September 11 to figure out how to change their budget, we need to figure out how to change ours.

A second major Social Security question that is not being dealt with on this floor is the idea of privatizing all or part of the Social Security system. This is an idea that is worthy of debate. I think it has many flaws, many risks, and many pitfalls. There are those who in good faith disagree with my conclusions, but no one should disagree that, before this Congress adjourns for the year, ideas about the privatization of Social Security should be brought to this floor, debated, and voted upon, so the American people can see where the Members stand and what they believe about these very important questions.

So I commend the authors for this very worthy bill, but I must lament the fact we are not answering the fundamental fact about Social Security: How do we stop dipping into the fund to fund the operations of the United States Government? That is what we need to focus on.

Mr. SHAW. Mr. Speaker, I yield 2 minutes the gentleman from California (Mr. HERGER), a distinguished member of the Committee on Ways and Means.

Mr. HERGER. Mr. Speaker, I rise in strong support of H.R. 4070, the Social Security Program Protection Act. This legislation contains important provisions to better protect retired and disabled Americans. In particular, I want to congratulate the chairman, the gentleman from Florida (Mr. SHAW), for the changes in his bill designed to keep convicted fugitive felons from getting Social Security checks. These efforts build on legislation I authored in 1996 that blocks fugitives from getting supplemental security income, or SSI, checks.

According to the Social Security Inspector General, since the 1996 changes, over 65,000 fugitives have been identified and almost 7,000 have been arrested. As a result, American taxpayers have saved an estimated $200 million. The legislation before us today takes the next step by also barring fugitives from getting Social Security checks.

Some Americans receive both Social Security and SSI checks. Yet, under current law, the government stops SSI checks for fugitives while continuing to send Social Security checks, even to known fugitives. This legislation closes that fugitive loophole. Our law should help bring fugitives to justice, not subsidize their flights from justice. This bill does just that.

Over the years, the Committee on Ways and Means on which I serve has taken a number of steps to better protect Social Security recipients and other taxpayers. We ended SSI checks for prisoners and fugitives, and we stopped subsidizing addicts with disability checks. The changes in this legislation follow that same spirit, and I urge my colleagues to support this bill.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from the State of North Dakota (Mr. POMEROY), a member of the Subcommittee on Social Security of the Committee on Ways and Means.

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding me this time.

This is a fine little bill, contains some protections for people who, because of age and disability, need assistance in managing their financial affairs for a family member, friend, or community organization. I will vote for this bill, and I urge my colleagues to vote for this bill.

But in a broader sense, it is a little like the community fire department of Durango, Colorado, holding an open house today. They are not holding an open house today because they have a fire to fight. Bigger things to do.

Quite frankly, when it comes to the Social Security program, I think there are more pressing matters than this legislation, which admittedly is good. We have to do it. I am glad we are doing it. But to have this take the place of the broader debate is absolutely confounding.

Two principal questions hang over the Social Security program: the first involves its finances. We have gone from retiring debt held by the public, strengthening the financial condition of this country with those Social Security surplus dollars, to now running once again budget deficits. This means a raid on Social Security dollars, taking cash coming in for Social Security and spending it on other programs of government. That is wrong, and it makes our long-term funding problem for Social Security even harder.

Second major issue: privatization. We know the President wants to privatize Social Security. He has said so. He has had a commission that came out with recommendations to privatize Social Security. We know the majority has bills to privatize Social Security. We think we deserve to have debate on the floor of this House about that significant concept.

Count me against it. I believe the existing Social Security program provides vitally important guaranteed revenue to people in their retirement years, to people living on disability, or to individuals who have lost the primary breadwinner in their home. This is a program that has worked for six decades, perhaps better than any other Federal program. To have these plans afoot to so dramatically change the system but held quietly under the rug until the next election is just wrong. Let us get it out, let us debate it, and, in the end, let us strengthen Social Security.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BRADY), a distinguished member of the Subcommittee on Social Security of the Committee on Ways and Means.

Mr. BRADY of Texas. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise today in support of the Social Security Protection Act.

I want to thank Chairman Shaw for his work on this and other issues related to Social Security.

What we are debating today is a bill that will cut down on the waste, fraud, and abuse that surrounds the Social Security system today. This bill is needed to protect the 7 million people in this country who receive Social Security benefits but cannot manage them on their own. People like young, innocent children, people with Alzheimer's, and those with severe mental illness are just a few of the real-life examples we are trying to help.

We expect this bill to pass by a very broad bipartisan margin. That is how Social Security issues ought to pass, with Republicans and Democrats working together to reform this vital retirement system.

□ 1515

It surprises me that we are seeing such a lively debate on this bipartisan measure.

Mr. Speaker, we know if we do not reform Social Security in a bipartisan manner, it will go broke in 2017. Now is the time to get the ball rolling on reform by working together. Republicans have come up with a responsive plan that does not privatize Social Security as Members on the other side of the aisle would scare us with.

The question here is: Is there anyone in Washington who seriously believes we can preserve Social Security once and for all without putting some portion of our payroll taxes to work for us? Common sense tells us we must transition to a traditional retirement plan where money grows over time into a bigger nest egg. The only question is how we do it and how soon. Some would say that is privatizing; most would say that is common sense.

Mr. Speaker, I sincerely hope the rhetoric being heard on the floor is not an indicator for the debate that is to come on this issue. It is time for Republicans and Democrats to sit down and have a reasonable, rational discussion about saving Social Security once and for all.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just comment to the gentleman from Texas (Mr. BRADY) that perhaps the majority should just bring a bill on the floor on privatization, let us debate it, and vote on it. That way we can discuss it if the gentleman is in favor of it.

Mr. Speaker, I yield 2 minutes to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 4070, the Social Security Program Protection Act of 2002. I commend the gentleman from Florida (Mr. SHAW) and the gentleman from California (Mr. MATSUI) for their work on this bill.

I want to speak regarding section 415, which will directly benefit one of my constituents, Mrs. Nancy Wilson of Bremen, Maine. In both the 105th and 106th Congresses, private legislation passed this House that I sponsored that would have helped Nancy Wilson, but it was not acted upon by the other body. In the 107th Congress, the Committee on Ways and Means raised objections to the private legislation. However, the committee has graciously worked with me to include in H.R. 4070 language from my bill, H.R. 319, that will help Mrs. Wilson.

She has been denied Social Security benefits for more than 10 years due to a quirk in the law. H.R. 4070 will fix that problem and give her relief. In 1950, Nancy and Al Wilson began living together in Massachusetts. Al Wilson's previous wife, Edna, had been committed to a mental institution and was never going to come out. Massachusetts law at that time prevented divorce on the grounds of insanity so Al could not divorce Edna. The law has since been changed. Al and Nancy lived together for 19 years, raised children together, but were not allowed to marry until Edna's death in 1969. Then they got married, but Al died of cancer 7 months later.

When Nancy tried to claim widow's benefits, she was denied because her marriage to Al had lasted only 7 months, not 9 months. She exhausted her options under the administrative appeals process and then came to her congressional delegation.

Well, Nancy Wilson is a tenacious battler. She will not give up. She will not let her elected representatives give up; and I hope and believe that with passage of this bill, she will finally get the relief to which she is entitled.

Mr. Speaker, I urge support for this legislation.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume. I congratulate the gentleman from Maine (Mr. ALLEN) for his tenacious and unyielding involvement in that particular tragedy. I am delighted that we will at last be able to deliver relief.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. Mr. Speaker, today I rise in support of H.R. 4070, the Social Security Program Protection Act, which will provide new safeguards for the nearly 7 million Social Security and SSI beneficiaries who use a representative payee to receive their benefits.

Social Security is among the most important and successful Federal programs ever created. In my home district alone, 110,000 people rely on this critical safety net for their livelihood.

When I was elected to Congress, I promised these Rhode Islanders that I would protect Social Security. While I am pleased by the consideration of H.R. 4070, I would be remiss if I did not voice any adamant opposition to the Republican leadership's privatization proposals which would jeopardize the benefits to which our Nation's seniors are entitled by subjecting them to the whims of the financial markets.

I urge Members to support this important legislation and to reject privatization proposals which fail to guarantee the continuation of benefits to the most vulnerable among us.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentlewoman from North Carolina (Mrs. CLAYTON), who is retiring at the end of this Congress.

(Mrs. CLAYTON asked and was given permission to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman for yielding me this time. I thank the gentleman from Florida (Mr. SHAW), as well as all Members, for this bill. I support this bill as a Democrat; but I oppose the undemocratic process, spelled with a small ''d.'' I support it because it is much needed; however, I oppose the process by which this bill comes to the floor. It did not allow many of the minority issues to come to the floor.

I support the bill because it really is an important bill. It added a lot of administrative provisions that are needed. It provides opportunity to assist loved ones manage their finances. It is an important bill that we all support.

But making these important, but modest, improvements to administrative procedures for the Social Security program is not what the American people expect. They really expect more of the Members of Congress and the President to provide, indeed, a reform of Social Security. We can and we should do much more.

In 2000, both Republican and Democratic candidates for the Presidency, as well as Members of the House and Senate, all said we were about strengthening Social Security; we would protect the Social Security trust fund; we would keep faith with our seniors and future generations. All of us without exception, both parties, were for protecting Social Security. A lot of talk was about the lockbox. There was a lot of legislation about the lockbox. We have voted on the lockbox. This indeed has now become a shell game instead of protecting it.

Why? That is a good question with a sad answer. Well, we should be protecting Social Security. If we can afford to have a tax bill that favors the wealthy, although we are adding new responsibilities, we need to protect our security. We should do more. I understand these are stressful times. We need to provide for homeland security, but we can do more.

There are additional bills that need to be brought forward. The majority bill does not address these programs. The minority had a discharge procedure so we could have a full debate. Some are asking why are we not bringing up the privatization bill. That is so fundamental to the structure and the survival of Social Security. Indeed, Social Security is one program that seniors are looking for us to protect. I urge support for this bill. It is worthy, but it is unworthy as to what we are not doing. I urge Congress to do more for the seniors of America.

Mr. Speaker, today I rise as a democrat—spelled with a small ''d''—in support of House Resolution Forty Seventy (H.R. 4070), The Social Security Program Protection Act of 2002; but oppose the process by which this bill comes to the floor for debate—in a manner most un-democratic, further encroaching on the minority's rights.

I support this bill because it adds important protections for people who, due to advanced age, infirmity or disability, could use the assistance of a loved one or a community service organization to manage their finances. It also strengthens antifraud provisions . . . and this I support very much.

But making modest improvements to administrative procedures for the Social Security Program is NOT what the American people expect of the House, the Senate, or the President of the United States. We can and should do such.

In 2000, both the Republican and Democratic candidates for the presidency—as well as members of the House and Senate—campaigned on a promise to safeguard, secure and enhance the life of the Social Security Trust Fund, and to keep faith with our seniors and future generations. There was a lot of talk of a lock-box, and we have voted several times on this lock-box, which has instead become a shell-game sham.

Why? That's a good question with a sad answer.

Having passed a tax bill weighted in favor of the wealthiest individuals and well-heeled corporations, the majority have taken us ''back to the future''—of deficit spending and an increase in the debt ceiling—another issue they don't want to debate.

I am not up for re-election in November . . . but I think the American people have a right to ask why—with two years having gone by—the majority has failed to reform Social Security and to protect the Social Security Trust Fund. They have a right to wonder why the future of Social Security is not being debated on this floor at this very moment.

Instead, the majority has only addressed program administrative issues through bills like the one before us, yet they refuse to deal with the most overarching administrative issue: the lack of adequate funding to provide the customer services that workers have already paid for through their FICA contributions.

Rather than having a real debate on important issues, the majority are closing down debate. They have refused to even bring up their privatization bills—bills which have been introduced by the leaders of their party. Democratic members recently filed a discharge petition to try to force debate on this issue and provide for some legislative remedies before the election.

The public has a right to know about the true effects of privatization—cuts in guaranteed benefits, massive raids on the Social Security Trust Funds, huge subsidies for those who have private accounts, and the threat that privatization poses to the ability of the system to keep paying benefits to today's retirees.

The future of Social Security and the retirement income of millions of Americans are too important not to debate and act on. I implore my friends on the other side of the aisle to do the right thing—let's debate this before the election, so the American people can make an informed choice.

Mr. MATSUI. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Florida (Mrs. THURMAN), a member of the Committee on Ways and Means.

Mrs. THURMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I commend the Committee on Ways and Means for bringing forward this legislation, H.R. 4070, today. I have heard the debate this afternoon about folks that have been injured because of the misuses. And people that have been taken advantage of by folks that in fact should not be taken advantage of, are those whom I believe are our most fragile and needed members of our society, and those are those who receive Social Security.

I would say on the other side of this, and I know this is a series of pieces of legislation that we have been dealing with in Social Security, and I noted that we have been talking about some legislation that was passed a couple of weeks ago to help women and others, and I believe that begs the question that there are issues within our Social Security system that we ought to be looking at.

Another area that I have great concern over is in the area of disability, how many folks and how long it takes for them to receive disability, and the idea that so many people will end up losing their homes and cars before we get any place.

I am very supportive of the discharge petition that this House has the opportunity to sign. It would give us a full and thorough debate on the issues of Social Security and particularly on the issues that have been brought forward by the commission and other Members of this House on ways that they think privatization would, in fact, be better. I think we should have that debate.

When I say that, I would also like to say that I think there are six areas that I feel very strongly about, and I would just like to list those six issues. I think it increases the financial risk for Social Security beneficiaries, requiring potentially severe cuts in benefits, the harm on women, harm on minorities, and undermining Social Security disability and survivor's benefits; and I believe it would eat away at the value of workers' accounts and significantly reduce the payments that they would receive from them.

Mr. Speaker, while I favor the antifraud provisions in H.R. 4070, I hope we have an opportunity to look at all of Social Security and the concerns that we have.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. ETHERIDGE).

(Mr. ETHERIDGE asked and was given permission to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I rise in support of H.R. 4070, the Social Security Program Protection Act. It provides and contains important protections for those folks who need assistance managing their financial affairs. It also improves access to legal representation for disability claimants and strengthens protections against fraud.

Mr. Speaker, we should also be debating the Republican leadership's plan to privatize Social Security. Social Security represents a compact with our seniors that says if they work hard all their life, they will not spend their golden years in poverty. We have no right to break that. No one has a right. I am willing to roll up my sleeves and work with anyone who is willing to do it; but privatization will not save Social Security. In fact, it jeopardizes the retirement security of our seniors and working families. Privatization of Social Security will destroy the system's financial stability, and threaten the benefits of millions of seniors, disabled Americans, and their families.

□ 1530

I urge my colleagues to support this bill. I hope this is not the last Social Security debate we have on this floor this year.

I urge my colleagues to support H.R. 4070, and am hopeful that this will not be the last Social Security debate we have this year. I call on my colleagues to demand an open debate on the Republican privatization plans, and urge them to join me in working to protect Social Security's promise to America by opposing privatization.

Mr. MATSUI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume.

Very briefly, I would like to close with just a few observations. I would like to commend both sides of the aisle for I think a very good and factual debate, looking at the legislation and showing that there are areas pertaining to Social Security where we can come together.

I think a few things, though, need to be said in response to some of the arguments that I have heard from the other side of the aisle. I think the gentlewoman from North Carolina, and I think she has left the floor now, brings a certain level of common sense to this debate that I think should be listened to. I think she is going to be missed, and I am very sorry that she is retiring as a member of the minority party in this Chamber.

There have been some comments regarding raiding the Social Security trust fund. I think it is very important that Congress exercise self-control and not spend the Social Security surplus. But I think the American people have to know that the Social Security trust fund contains promises, not dollars. Those promises are in the form of Treasury bills. Those promises stay there, they are not taken from the Social Security trust fund, and nobody can debate that issue.

But it is debatable, and I think it is something of great concern to both political parties here, that we do have a concern as to the expenditures which are going into the Social Security surplus. I think it is a goal of both political parties to stop spending that surplus as soon as we get through this war effort, as soon as we get totally out of this recession and as soon as we rebuild after the natural disaster that we had in New York. There is a question of debate on that. Whether we can say it is because of overspending or undertaxing, I think the question is certainly debatable and is subject to debate.

But nobody should stand before this Congress or before the American people and say we are raiding the Social Security trust fund which only has promises. It does not have dollars.

But, also, I think it is important to realize that, in going forward to decide what exactly we are going to do with Social Security, when we are coming together; and I would say to the members of the minority side who are trying to get some kind of a discharge petition to get their interpretation of the President's bill before this Congress or getting the two or three other bills before the Congress to have an open debate on it, as soon as I sense any real feeling on the minority party that they want to solve the problem rather than taking a few bills, some fictitious and some real, and crafting them into weapons, as soon as I get the sense that they want to move ahead, I am prepared to move ahead, because I think it is very important.

I am concerned about my grandkids. I have a grandchild by the name of Wyatt who lives in DeLand, Florida. He is 13 years old. He is going to face benefit cuts of 28 percent by the time he is 62 years old. He will get less than $3 for every $4 of benefits that are promised to him. We have got to remember we do not only represent seniors of today. We represent our kids and our grandkids. If we are going to take $1 out of every $4 that they are entitled to receive, that is, I think, a national tragedy and that is something that is certainly less and far below the mission for which the American people sent us here to the Congress. They did not send us here to misrepresent facts, they did not send us here to hold steady to political beliefs, and they did not send us here, frankly, to privatize Social Security.

And no one is trying to privatize Social Security. In fact, the bill that I have filed leaves the Social Security system totally intact. It does not touch $1 of it, and it saves Social Security for all time according to the Clinton administration as well as according to the current administration.

Mr. Speaker, again, I would like to thank this Chamber and Members of both sides of the aisle for the debate that we had. I apologize for my voice, but I am in about the third or fourth

day of a cold which I am hopeful that it is no longer contagious.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of H.R. 4070, the Social Security Program Protection Act of 2002. I urge my colleagues to support this badly needed measure.

Every year, Social Security provides benefits to over 50 million retired and disabled workers, their families and SSI recipients. Of this total, more than 7 million are beneficiaries who cannot manage their own financial affairs and have a ''Representative Payee'' appointed to guard their monthly benefits.

While the majority of these arrangements are above board, a significant number are subject to fraud and abuse. In these cases, the beneficiary is being cheated out of their Social Security income, which they desperately need, and the taxpayers are being cheated by government funds being diverted to unauthorized recipients.

This legislation protects vulnerable beneficiaries by tightening oversight and regulation of the ''Representative Payee'' system. Penalties for the misuse of the system are enhanced, and new regulations governing who is eligible for a ''Representative Payee'' status are further qualified by prohibiting anyone convicted and imprisoned for more than one year from serving in this capacity. Moreover, this measure permits the reissuance of benefits to individuals who have been cheated by their ''Representative Payee,'' and further directs that the recovery of misused benefits from those persons may be undertaken.

This measure also makes a number of modifications to shore up the integrity of the Social Security system by denying benefits to fugitive felons, imposing penalties on recipients who fail to notify SSA of any change in their status and clarifies which attorneys the SS commissioner may refuse to recognize in the handling of specific cases.

Mr. Speaker, this measure helps protect the interests of those who are unable to manage their financial affairs, including their Social Security benefits. In doing this, it addresses an unmet need. Accordingly, I strongly support its passage.

Mr. CRANE. Mr. Speaker, I rise today in support of the Social Security Program Protection Act of 2002.

This legislation gives the Social Security Administration the enhanced tools it needs to help fight fraud and abuse activities that drain program resources and undermine the financial security of beneficiaries.

This legislation also helps individuals with disabilities gain access to representation to help them navigate through complex application process to receive benefit.

Preliminary CBO estimates show this legislation saves the budget $534 million over 10 years.

The program protections and improvements in this bill are bipartisan and have the support of the Federal Bar Association, the Association of Administrative Law Judges, and the National Organization of Social Security Claimants' Representatives.

I am saddened that the minority has spent today in the same manner they usually choose to spend very other October: scaring our senior citizens.

It is easy for the minority to sit back and cry foul, but I would ask all of my colleagues the following questions: has the minority done anything but misrepresent our plans to save Social Security?

Have they come to the table with any serious ideas themselves on how to save the program?

The answer to this question, regrettably, is ''no.''

Mr. DAVIS of Illinois. Mr. Speaker, I rise in support of H.R. 4070, the Social Security Program Protection Act of 2002. This legislation provides needed safeguards for the over 6 million Social Security and Supplemental Security Income beneficiaries who cannot manage their own financial affairs and need a ''representative Payee.'' I fully support increased oversight of Representative Payees to prevent abuse, and the mis-allocation of taxpayer money. I also agree with this bill's provision that allows for the re-issuance of benefit payments that have been taken from the rightful beneficiaries and the recovery of these funds from unscrupulous Representative Payees.

I want to underscore the importance of one of the items in the bill's final section containing miscellaneous and technical provisions. This is the provision that improves the effectiveness of the Ticket to Work and Work Incentives Improvement Act of 1999. It will ensure that employers who hire individuals with disabilities through referral by an employer network also qualify for the Work Opportunity Tax Credit. Americans with disabilities experience an unemployment rate of 70 percent, and we must do everything in our power to make sure that incentives exist to open the doors of opportunity wider to these individuals.

Finally, I want to draw attention to this bill's provision that disqualifies those who have been convicted and imprisoned more than a year from serving as Representative Payees. The bill also allows the Commissioner of Social Security to exercise judgment in determining cases where certain ex-offenders may be certified as Representative Payees despite this prohibition. While we must do everything possible to protect Social Security and Supplemental Security Income beneficiaries from being taken advantage of by unscrupulous individuals, we also must not unjustly condemn ex-offenders who have paid their dues and need to re-gain their ability to participate fully in society.

Mr. SHAW. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LINDER). The question is on the motion offered by the gentleman from Florida (Mr. SHAW) that the House suspend the rules and pass the bill, H.R. 4070, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SHAW. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. SHAW. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of H.R. 4070, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

COMMENDING CONTRIBUTIONS OF ROOFING PROFESSIONALS INVOLVED IN REBUILDING OF PENTAGON

Mr. SULLIVAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 424) commending the patriotic contributions of the roofing professionals who replaced, at no cost to the Federal Government, the section of the Pentagon's slate roof that was destroyed as a result of the terrorist attacks against the United States that occurred on September 11, 2001.

The Clerk read as follows:

H. CON. RES. 424

Whereas the damage to the Pentagon that resulted from the terrorist attacks against the United States that occurred on September 11, 2001, included the destruction of more than an acre of the Pentagon's slate roof;

Whereas roofing professionals from throughout the United States, mostly from small businesses, volunteered to work together to replace the destroyed section of the Pentagon's roof;

Whereas these roofing professionals donated approximately $450,000 worth of labor and materials to the replacement effort; and

Whereas these roofing professionals successfully replaced 60,000 square feet of the Pentagon's slate roof before September 11, 2002, and at no cost to the Federal Government: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress commends the patriotic contributions of the roofing professionals who replaced, at no cost to the Federal Government, the section of the Pentagon's slate roof that was destroyed as a result of the terrorist attacks against the United States that occurred on September 11, 2001.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oklahoma (Mr. SULLIVAN) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. SULLIVAN).

GENERAL LEAVE

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 424.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 424, introduced by my distinguished colleagues, the gentleman

from Illinois (Mr. MANZULLO) and the gentlewoman from New York (Ms. VELÁZQUEZ), honors the hard work of the roofers who helped rebuild the Pentagon in the wake of the September 11 attacks.

Mr. Speaker, September 11 is etched in our minds for all time. That terrible day brought destruction and cast a dark shadow over the entire country and world. In the midst of those acts of evil, the Pentagon was severely damaged. Over the past several months, this body has acknowledged and thanked those who have helped rebuild New York and the Pentagon in so many ways following the terrorist attacks.

Today we recognize the diligent work of the roofing professionals, mostly small businesses, who have banded together to volunteer their time, labor and materials worth one-half million dollars to rebuild the section of roof destroyed in the attack on the Pentagon. The fire from the attack ruined more than one acre of slate roofing over the Pentagon in addition to the section of structure that was damaged. Today, the full 20,000 square foot area of roof over the Pentagon now has replacement slate. They completed this work before the deadline at no cost to the taxpayers.

The House commends the patriotic and generous contributions these roofing professionals have made to the rebuilding of the Pentagon.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to commemorate the roofing professionals who volunteered their time and effort to repair the roof of the Pentagon following the September 11 terrorist attack.

Mr. Speaker, the Pentagon was struck by a horrible act of terrorism on September 11, 2001. One hundred twenty-five employees at the Pentagon and 64 hostages on Flight 77 perished as a result of the terrorist attack that day. The attack also resulted in the destruction of more than an acre of the Pentagon's slate roof. The renovation effort, known as the Phoenix Project, is under way to restore the damaged portion of the Pentagon and is pushing to have the Pentagon personnel back to work in that portion of the building by September 11, 2002.

Contributing to this effort were roofing professionals from throughout the United States, mostly from small, family-owned businesses who volunteered to work together to replace the destroyed section of the Pentagon's roof. These hard-working Americans donated approximately a half million dollars in materials and labor to the replacement effort and successfully replaced 60,000 square feet of the Pentagon's roof at no cost to the American taxpayers who have already shared a large burden of the emotional and financial costs of September 11. The completion of this project reflects the spirit that we as Americans can work together, rise from the ashes and overcome any obstacle.

I commend those who have come forth with this resolution. I urge its support.

Mr. Speaker, I reserve the balance of my time.

Mr. SULLIVAN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Speaker, today I rise in support of H. Con. Res. 424, a resolution commending those small businesses and family-owned enterprises in the roofing industry who donated their time and resources to help complete the reconstruction of the portion of the Pentagon roof damaged or destroyed by the terrorist attacks on September 11. I wish to extend my sincere thanks to the many volunteers for the patriotic work and to acknowledge the National Roofing Contractors Association which organized these efforts.

The Pentagon Project, as it was called, was the brainchild of John and Kimberly Francis who are co-owners of a family-run roofing contracting company in Falls Church, Virginia. Searching for something they could offer in response to the attacks, they approached the National Roofing Contractors Association with the idea of assembling a volunteer force of small businesses in the roofing industry to raise the needed cash, material and manpower to rebuild the approximately 60,000 square feet of damaged roof. Small business volunteers from around the country offered to come to Washington to help fix the roof or donated supplies for the project. The result: Less than 9 months after the attack, these volunteers have completed their work and restored a symbol of American power and resolve.

This resolution honors their success, determination and patriotism. It recognizes their eagerness to step forward and contribute in a meaningful way to America's fight against terrorism and resolve to stand firm along the way.

On behalf of the American people, as well as the members of the Committee on Small Business, all of whom cosponsored this resolution, we offer our heartfelt thanks for a job well done and congratulations on a recognition well deserved.

I especially want to thank my colleague, the ranking minority member, the gentlewoman from New York (Ms. VELÁZQUEZ), for her leadership in making sure that this resolution was authored, submitted and came to the floor today.

In fact, about 4 hours ago, we were at the Pentagon for a ceremony that honored these roofers. Sixty thousand square feet is a little over an acre and a half. It is a tremendous amount of roof. You could see the roofers still on the roof today. It must have been 130 degrees up there. This is what they wanted to do for America.

As people came together after September 11, these roofers realized that they wanted to do something in a meaningful way. As they drive by the Pentagon every day, they can see that portion of the roof that they restored with no cost to the Federal Government because this is their contribution to making America great.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield such time as she may consume to the gentlewoman from New York (Ms. VELÁZQUEZ), the ranking member of the Committee on Small Business.

(Ms. VELÁZQUEZ asked and was given permission to revise and extend her remarks.)

Ms. VELÁZQUEZ. Mr. Speaker, I rise today on behalf of a grateful Nation. Less than 3 months before the anniversary of the worst act of terrorism in our history, a small group of volunteer small business professionals from across the country completed replacement of more than an acre of hard slate roof over the Pentagon. Earlier this morning, many of us participated in a ceremony at the Pentagon to recognize the work of these selfless Americans, and we are here again to thank them for their patriotic generosity.

Small businesses work for America. They anchor our communities and neighborhoods. They create three-fourths of all new jobs, employ half our workers and produce nearly half our GDP. They hauled us out of our last recession into the longest peacetime boom on record. They did it before, and they are doing it again.

But that is not all. When they lock up for the night, small business owners are out in the community, volunteering in school, coaching little league, donating their time and expertise to neighborhood improvement.

But even when it did not seem possible that small businesses could give any more, they did. When terrorists crashed American Airlines Flight 77 into the Pentagon on September 11, small businesses stepped forward to help. Leading the way were John and Kimberly Francis, owners of Northern Virginia Roofing in Falls Church, Virginia. After September 11, they joined millions of Americans in wanting to do something, to give something back.

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So when they learned of the extensive damage to the Pentagon's roof, they decided to volunteer their particular talents. They would give a new roof to the Pentagon.

Soon roofing professionals from across the country came to volunteer their time, labor, and materials, rebuilding more than an acre and a half of hard slate roof over the Pentagon. They flew in from all across the country to northern Virginia, they drove, they even brought campers to work on this project.

My colleagues might remember that this was not the best time if one was a small business to donate time on labor. The economy was in a recession and threatened to get worse. Americans

feared for their security and their jobs. Yet these roofers knew that they had a patriotic imperative and an historic opportunity to help heal this breach by doing what they do best. In our darkest moment, they were among our brightest lights.

Eight months later, $450,000 in donated material and labor have had their desired effect. A professional army of volunteers have given a roof to the Pentagon at no charge to the Federal Government or the American taxpayer.

I hope every Member of this body is inspired by the story of these selfless professionals. Whenever they drive by the Pentagon and see the rapid rebuilding and the work crews on the job day and night, they will see a symbol standing for all that America's small businesses have done for this country. Small businesses not only rebuilt the Pentagon, they rebuilt our resolve. For that and for so much else, we thank them.

I also want to take this opportunity to thank the staff for their hard work, not just on the resolution but giving small businesses the support they needed to accomplish this great fete: Staff Director Michael Day, Mary Ellen Ardonney, Wendy Belzer and James Snyder.

Mr. SULLIVAN. Mr. Speaker, I yield myself the balance of my time.

I commend the distinguished gentleman from Illinois (Mr. DAVIS) and the gentlewoman from New York (Ms. VELÁZQUEZ) for introducing this resolution and working so hard to ensure its passage. I thank the gentleman from Indiana (Mr. BURTON), the House Committee on Government Reform chairman; the gentleman from California (Mr. WAXMAN), ranking member; the gentleman from Florida (Mr. WELDON) and the gentleman from Illinois (Mr. DAVIS), the chairman and ranking member of the Subcommittee on Civil Service, Census and Agency Organization, for expediting the consideration of this resolution.

Again, Mr. Speaker, I urge all Members to support this resolution to commend the extraordinary generosity and patriotism of the professional roofers who helped rebuild the Pentagon.

Mr. Speaker, I yield back the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I want to thank the distinguished gentleman from Illinois (Mr. DAVIS) for yielding me this time.

Mr. Speaker, I want to commend the patriotic contributions of the local roofing companies in Northern Virginia especially who donated labor, money, and supplies, which nationally totaled about half a million dollars, to rebuild the section of the Pentagon's slate roof that was destroyed on September 11. I am proud that the push for the roofing companies to volunteer their time and effort and money originated with an idea by a roofing company in my district, Northern Virginia Roofing.

Northern Virginia Roofing is a husband and wife company located in Falls Church. They approached the National Roofing Contractors Association a week after the attacks, right after the attack, and said they wanted to contribute to the recovery effort of the Pentagon. The Association then approached the Defense Department, which gladly accepted the idea of giving the Pentagon a new roof.

Even though it has been more than 8 months since those tragic events of September 11, I am still constantly amazed, as I know my colleagues are, by the acts of heroism and patriotism displayed by the American people. This clear act of unselfishness by these roofing companies sends a clear message to the world that our resolve cannot be diminished. The attacks of September 11 have not weakened the United States and the American spirit. Our core values of freedom and democracy are certainly still intact.

Mr. Speaker, I urge every Member of Congress to support this resolution, and I am sure they will, which not only commends the roofing companies who are working around the clock to rebuild a severely damaged Pentagon, but it is also a testament to the American spirit.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

We have no further request for time, and in closing I would commend again the chairman and ranking member of the Committee on Small Business for the introduction of this resolution and certainly extend heartfelt appreciation to the family roofers who came together as small businesses to indicate that, when small businesses come together, they can tackle big problems and meet big needs. So I simply commend all of those who are in support of this resolution and urge its passage.

Mr. NUSSLE. Mr. Speaker, I rise in full support of this resolution commending the patriotic contributions of the roofing professionals who replaced the section of the Pentagon's slate roof destroyed by terrorists on September 11, 2001.

The sight of the smoke rising from the Pentagon that day was a vision caused by evil that I will never forget.

Since that time, many Americans have acted with hope and good will and without hesitation to help our Nation move forward from a time and place of tragedy.

Ken and Jared Schmitt of Rafoth, Inc. in Dubuque, Iowa offered their time and talents to make a difference. Ken and Jared were among the roofing professionals who volunteered to help repair more than an acre of the Pentagon's slate roof. I had the honor of meeting with them during their stay in the Washington area.

Roofing professionals across the country donated approximately $450,000 worth of labor and materials to the replacement effort at no cost to the Federal Government.

This resolution offers an opportunity for us to say thank you to those who did this work out of their sense of duty and generosity. Ken and Jared deserve America's gratitude and respect. There is no question that they have mine.

Mr. DAVIS of Illinois. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LINDER). The question is on the motion offered by the gentleman from Oklahoma (Mr. SULLIVAN) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 424.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SULLIVAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

FRANK SINATRA POST OFFICE BUILDING

Mr. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3034) to redesignate the facility of the United States Postal Service located at 89 River Street in Hoboken, New Jersey, as the ''Frank Sinatra Post Office Building.''

The Clerk read as follows:

H.R. 3034

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FRANK SINATRA POST OFFICE BUILDING.

(a) REDESIGNATION.—The facility of the United States Postal Service located at 89 River Street in Hoboken, New Jersey, and known as the Hoboken Main Post Office, shall be known and designated as the ''Frank Sinatra Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Frank Sinatra Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oklahoma (Mr. SULLIVAN) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. SULLIVAN).

GENERAL LEAVE

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3034 now being considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3034, introduced by our distinguished colleague from New Jersey, designates the Post Office located in Hoboken, New Jersey, as the

Frank Sinatra Post Office Building. Members of the entire House delegation from the State of New Jersey are cosponsors of this legislation.

Mr. Speaker, I rise today in strong support of this bill that honors Frank Sinatra. It is appropriate that we name the Post Office in Hoboken, the birthplace of Frank Sinatra, after him. Born in Hoboken in 1915, Sinatra quickly became one of America's favorite entertainers. Not only is Sinatra known for his timeless classics like ''Love and Marriage,'' ''The Lady Is a Tramp,'' and ''Strangers in the Night,'' to name a few, he also has had a successful film career, appearing on the big screen over 60 times.

In 1994, Sinatra was awarded the Grammy ''Legend Award'' which was a culmination of a career that saw him win nine Grammy awards.

I would be remiss if I did not mention his timeless classic ''New York, New York.'' His words about New York and the York City area have taken on a new meaning in the past year as we saw our fellow Americans from the New York area fight back in the face of terrorism. It is appropriate that we honor a man who embodied that spirit in his music and we name a Post Office in Hoboken, New Jersey, after him.

Even in his death, Frank Sinatra's music continues to entertain and inspire all Americans.

Mr. Speaker, I urge the adoption of H.R. 3034.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a Member of the House Committee on Government Reform, I am pleased to join with the gentleman from Oklahoma (Mr. SULLIVAN) in support of this resolution. I rise in support of H.R. 3034, legislation naming the Post Office after the legendary Frank Sinatra.

H.R. 3034, which was introduced by the gentleman from New Jersey (Mr. MENENDEZ) on October 4, 2001, has met the committee policy and enjoys the support and cosponsorship of the entire New Jersey delegation.

Frank Sinatra was an Academy and Grammy Award winning singer and actor from Hoboken, New Jersey. He was born in 1915 and died in 1998. He cut his first record in 1939 and went on to make more than 1,800 recordings in his lifetime. Who could ever forget Frank Sinatra singing ''My Way,'' ''The Lady Is a Tramp,'' ''Strangers in the Night,'' ''Nice and Easy,'' ''New York, New York,'' ''Nancy,'' ''Three Coins and a Fountain,'' or ''Chicago, Chicago, My Kind of Town? ''

The man who read lyrics with great clarity and emotion practically brought the house down every time he performed. He garnered nine Grammies and was heralded by fans as the most preeminent singer of the century.

Frank Sinatra's distinguished and versatile acting career included appearing in at least 60 films. He will always be remembered for such greats as ''The Man With the Golden Arm,'' ''The Manchurian Candidate,'' ''Ocean's Eleven,'' ''The House I Live in,'' ''From Here to Eternity,'' and many others.

Sinatra, nicknamed ''Old Blue Eyes'' and ''Chairman of the Board,'' was famous for the good times he had with his ''Rat Pack'' friends, which included Dean Martin and Sammy Davis, Jr. He was also remembered for sticking up for his friends and for sticking by his pals in times of need. He helped open the doors for his friend, Sammy Davis, Jr., and fought Hollywood's blacklist in the 1950s, often putting unemployed actors and friends on his payroll. He was also known as a philanthropist, often sending money to people in need and donating generously to charities.

In 1983, Frank Sinatra was honored by the Kennedy Center; and in 1985 he received the Presidential Medal of Freedom.

Mr. Speaker, I certainly join with all of those who would urge adoption of this measure.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield such time as he might consume to the gentleman from New Jersey (Mr. MENENDEZ), the originator and sponsor of this bill.

(Mr. MENENDEZ asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. MENENDEZ. Mr. Speaker, I want to thank the distinguished gentleman, the ranking Democrat, for helping us bring this to the floor and for yielding me this time; and I thank the chairman of the committee as well.

Mr. Speaker, I rise in strong support of H.R. 3034, legislation that I authored to honor Hoboken, New Jersey's favorite son, a superstar, an icon, and a legend, the late Frank Sinatra. The bill will rename Hoboken's main Post Office as the ''Frank Sinatra Post Office Building,'' bringing a much-deserved and much-awaited fitting tribute home to the birthplace of the most famous ''Chairman of the Board.'' I appreciate my colleagues from the New Jersey delegation joining unanimously in this effort.

Born in Hoboken, New Jersey, on December 12, 1915, Frances Albert Sinatra was one of the preeminent entertainers of the 20th century. Whether wooing us with soulful melodies or his cinematic charisma, Frank Sinatra always managed to attract and entertain large and diverse audiences with a unique and innate style.

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Epitomizing the essence of coolness and class, Sinatra used his charm and harmonious voice to become an idol of both young starstruck admirers and older professionals. This musical mastermind mesmerized crowds with ageless classics such as ''New York, New York,'' ''My Way,'' ''Night and Day,'' ''Witchcraft,'' ''Love and Marriage,'' ''Strangers in the Night,'' ''September of My Years,'' ''The Lady is a Tramp,'' along with countless others.

Ol' Blue Eyes utilized his dynamic talents and culturally-acute instincts to do more than simply entertain. He used music and theater as mediums to carry a socially-conscious message to fans and admirers around the world. In films such as the ''Manchurian Candidate'' and ''Von Ryan's Express,'' Sinatra the actor educates us on the heroic and selfless sacrifice of America's World War II and Korean War veterans who vigorously defended the cherished principles of freedom and democracy.

During his critically acclaimed performance in ''The House I Live In,'' Sinatra was able to make thousands of Americans understand and appreciate how ethnic and religious diversity is the foundation for cultural and societal progress.

If we listen to the lyrics of that song, ''What is America to Me?'' in the movie ''The House I Live in,'' I think it wraps up in part why Sinatra was able to touch the hearts of so many people in this country.

He said:

''What is America to me?
''A name, a map, or a flag I see
''A certain word, 'democracy.'
''What is America to me?

''The House I live in
''A plot of earth, a street
''The grocer and the butcher
''Or the people that I meet

''The children in the playground
''The faces that I see
''All races and religions
''That's America to me

''The place I work in
''The worker by my side
''The little town, the city
''Where my people lived and died
''The howdy and the handshake
''The air a feeling free

''And the right to speak your mind out
''That's America to me

''The things I see about me
''The big things and the small
''The little corner newsstand
''Or the house a mile tall

''The wedding in the churchyard
''The laughter and the tears
''And the dream that's been agrowing
''For more than 200 years

''The town I live in
''The street, the house, the room
''The pavement of the city
''Or the garden all in bloom

''The church, the school, the clubhouse
''The million lights I see
''But especially the people
''Yes, especially the people
''That's America to me.''

It was those people who came and flocked.

In the middle of his career, Frank Sinatra earned the nickname ''Chairman of the Board of Show Business'' because of his simultaneously successful career as a musician, entertainer, and leading Hollywood actor.

This Chairman of the Board also was the founder and leader of one of the most dynamic and star-studded ensembles known as the Rat Pack. Members included Dean Martin, Sammy Davis, Jr., and Joey Bishop.

Along with being featured performers on the Las Vegas entertainment scene, this group went on to star in four amusing and witty films: ''Ocean's Eleven,'' ''Sergeants Three,'' ''Four for Texas,'' and ''Robin and the Seven Hoods.''

During his show business career that spanned more than 50 years, Frank Sinatra is widely regarded to be one of the most successful entertainers of his era. His appearances and performances sparked attention and excitement worthy of only an admired global icon. His resume of achievements and accomplishments include Academy Awards, Grammy Awards, and numerous other entertainment honors.

Although most Americans will remember Frank Sinatra for his chic and graceful presence, there was also a generous and philanthropic side for this superstar. Sinatra's family and people closely associated with him say his charitable interests were endless, and it is estimated that he gave millions of dollars to worthy causes around the world.

Naming Hoboken's main post office after the late Frank Sinatra honors and recognizes Hoboken's number one hero. I am extremely proud to offer this legislation, and I hope that my colleagues join me in passing this measure.

Today we bring decades of Sinatra's success back home to where it all began: Hoboken, New Jersey.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield such time as he may consume to the gentleman from New York (Mr. SERRANO).

Mr. SERRANO. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, some years ago, when we stood on this floor as a prime sponsor of the Frank Sinatra Congressional Gold Medal, we spoke, and everyone did, about Frank Sinatra, the artist, as we are doing today.

But today's conversation and debate takes on a different tone, that is, that Members are also speaking about Frank Sinatra, the American, and Frank Sinatra, the visionary, who saw many things way ahead of his time on the issue of civil rights, on the issue of race relations, on the issue of generosity, when one is gifted and able to make money from that gift they have received, as he was.

So, of course, I could not pass up the opportunity to want to again remind us that we are talking about the greatest popular singer of our generation. We are talking about a person who we use as the measuring stick for anyone who wants to become a great singer, and a mighty task that is, to talk about that diction or that ability to bring forth romantic lyrics in the way that songwriters wanted them to be brought.

So we know about Frank Sinatra, that giant of American and worldwide music. But the other day, and a couple of years ago, I ran across two Frank Sinatras I had heard about and did not know.

One a couple of years ago was that there had been, a discussion we are having these days, by the way, an FBI file kept on Frank Sinatra; and why he was on an FBI file is interesting to note.

It was because, my colleagues would be interested in knowing, during the 1940s he voiced his desire to have housing for returning GIs. On another occasion, he went to meet Mayor Hubert Humphrey in Minneapolis-St. Paul to ask for people to learn how to stop fighting and get along with each other. In those days, that was enough to get one listed as a troublemaker.

Later on, as our colleague, the gentleman from Illinois (Mr. DAVIS), has said, when he demanded from hotels and nightclubs that they treat Sammy Davis, Jr., the same way they treated him, he again was considered a troublemaker.

But most recently, my son, who incidentally has been elected to the New York City Council, came across something which is really interesting. It was written by Frank Sinatra for something called ''Magazine Digest'' in July of 1945. It is simply titled ''Let's Not Forget, We Are All Foreigners.'' In here, he speaks about how he felt in 1945 about people being called names.

He says, ''Let's take it right from the top. Ever hear of a corny old saying, sticks and stones will break my bones, but names will never hurt me? Want to know something, that is not only corny, it is wrong. Names can hurt you. They can hurt you even more than sticks and stones.''

Then he goes into saying how adults wreck the minds of children. He says that children, if left alone, will play with each other regardless of their color, their race, their religion, their cultural background, their ethnic background; that they will play as children, and that only adults then come forward and poison minds to create the problems that we have in this country.

He then also said, ''Look, the next time you hear anyone say there is no room in this country for foreigners, tell him you have a big piece of news for him. Tell him everybody in the United States is a foreigner. This is our job, your job and my job, and the job of the generations growing up, to stamp out the prejudices that are separating one group of American citizens from another.''

That is the Frank Sinatra we should be paying more attention to as we also celebrate his music. I thank the gentleman for this resolution to name this post office in his memory. We will celebrate Frank Sinatra the man, the American, and the world's greatest singer of pop music.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

In closing, Mr. Speaker, let me just say that from time to time people will ask me, Why do we do these resolutions? Why do we name post offices? Why do we take the time?

I think anyone who heard this discussion this afternoon should never have to ask that question again. They should never have to ask that question again because what we have heard speaks to the embodiment of what America is. It is a Nation of values, it is a Nation of contributions, and it is a Nation that many people have helped to shape.

I think that naming a post office after Frank Sinatra in Hoboken, New Jersey, is an indication of that level of understanding.

Mr. LARSON of Connecticut. Mr. Speaker, I rise today in support of H.R. 3034, the designation of the Frank Sinatra Post Office building. Frank Sinatra, the singer, the actor, the man, was one of the preeminent American icons of this century. Hailed by critics and peers alike as the ''greatest singer in the history of popular music,'' Frank Sinatra's career and life should be commemorated in every way possible.

Mr. Sinatra's music career spanned almost a half-century. From his first record cut in 1939, to his eighth Grammy nod in 1996, Frank Sinatra's presence and his overwhelming charisma could be felt by all those who knew and loved music. Sinatra put his stamp on dozens of tunes familiar to the music lover's ear, including the timeless theme of the Big Apple, ''New York, New York'' and the anthem of every iconoclast, ''My Way.''

Frank Sinatra, as we all know, would not allow himself to be limited to just music. He appeared in more than 60 films that ranged from dark dramas to lighthearted comedies. The pinnacle of his acting career amounted to an Oscar nod for his short film entitled, ''The House I Live In'' and one for himself for his supporting role as Maggio in the film, ''From Here to Eternity.'' Just like everything else he did, Sinatra threw himself into every role, giving everything he had to give.

There are very few people in this century that effected so many Americans of various generations. He continuously gave back to the community that gave him so much, through his music and films as well as through his generous donations to various charities. He donated amounts of money estimated to be in the millions during his life, sometimes anonymously sending money to those whose misfortunes he read about in the paper.

Frank Sinatra was one in a million. There are few men likely to fill the shoes left by Sinatra in May of 1998 at the age of 82. That year, during my annual charity bocce tournament, many of my friends in Connecticut gathered to celebrate his remarkable life. The Frank Sinatra Post Office is just one of the small ways we can pay proper tribute to a man that shaped and molded the face of popular culture for over 50 years and I ask my colleagues today to join me in supporting this bill.

Mr. DAVIS of Illinois. Mr. Speaker, I urge passage; and I yield back the balance of my time.

Mr. SULLIVAN. Mr. Speaker, I urge the adoption of this measure, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LINDER). The question is on the motion offered by the gentleman from Oklahoma (Mr. SULLIVAN) that the House suspend the rules and pass the bill, H.R. 3034.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SULLIVAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, and the Chair's prior announcement, further proceedings on this motion will be postponed.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

SECURITIES AND EXCHANGE COMMISSION AUTHORIZATION ACT OF 2002

Mr. OXLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3764) to authorize appropriations for the Securities and Exchange Commission, as amended.

The Clerk read as follows:

H.R. 3764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Securities and Exchange Commission Authorization Act of 2002''.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS OF THE SECURITIES AND EXCHANGE COMMISSION.

In addition to any other funds authorized to be appropriated to the Securities and Exchange Commission, there are authorized to be appropriated to carry out the functions, powers, and duties of the Commission, $776,000,000 for fiscal year 2003, of which—

(1) not less than $134,000,000 shall be available for the Division of Corporate Finance and for the Office of Chief Accountant;

(2) not less than $326,000,000 shall be available for the Division of Enforcement; and

(3) not less than $76,000,000 shall be available to implement section 8 of the Investor and Capital Markets Fee Relief Act, relating to pay comparability.

SEC. 3. SENSE OF THE CONGRESS.

It is the sense of the Congress that the Securities and Exchange Commission should conduct a thorough annual review of the annual financial statements contained in the most recent periodic disclosures filed with the Commission by the largest 500 reporting issuers, as determined by market capitalization and by other factors as the Commission shall determine.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. OXLEY) and the gentleman from New York (Mr. LAFALCE) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation, and to include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OXLEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the Securities and Exchange Commission Authorization Act of 2002 authorizes important new resources for the Securities and Exchange Commission for fiscal year 2003.

I would like to commend the ranking member of the Committee on Financial Services, the gentleman from New York (Mr. LAFALCE), and the chairman of the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises, the gentleman from Louisiana (Mr. BAKER), for their leadership on this very important and timely issue.

As we know, the SEC is statutorily charged with supervising the Nation's securities markets. This legislation is necessary to reauthorize the work of the SEC to enable it to continue its mission of protecting investors and promoting efficiency, competition, and capital formation.

For quite some time, the U.S. securities markets have been widely regarded as the deepest, most liquid, and fairest markets in the world, in large part due to the fine work of the SEC. Today, however, it is abundantly clear that our markets are in need of reform. Too many people have abused the public trust. In the wake of recent scandals, many have noted a crisis of public confidence in the integrity of our system.

That is why the Committee on Financial Services was first out of the block in analyzing analysts, corporate reporting, and accountants.

The committee drafted comprehensive legislation that overwhelmingly passed the House, and has directed the self-regulatory organizations to promulgate new rules on analysts and corporate governance. Much has been done, with still more to do, in order to ensure investors are protected through full and timely disclosure of financial information.

The bill before us today authorizes the SEC at a level of $776 million for fiscal year 2003, with $134 billion earmarked for the division of corporate finance and the office of the chief accountant, and $326 million earmarked for the division of enforcement.

The bill identifies these particular divisions for increased funding because it is vital that the commission have sufficient resources to review public filings and bring enforcement cases against those who violate the securities laws.

One of the primary findings of our hearings was the need for the commission to pursue wrongdoers in real time. This bill provides the commission with the resources it needs to do exactly that.

The bill also fully funds the pay parity provisions of the Investor and Capital Markets Fee Relief Act enacted into law this past January. This $76 million in funding would grant SEC employees pay parity with the banking regulators and help the commission attract and retain the first-rate attorneys, accountants, and economists needed to protect investors.

With modest staff and limited resources, the SEC currently oversees an estimated 8,000 brokerage firms employing nearly 700,000 brokers; 7,500 investment advisors with approximately $20 trillion in assets under management; 34,000 investment company portfolios; and over 17,000 reporting companies.

The commission also has oversight responsibilities for nine registered securities exchanges, the National Association of Securities Dealers, the National Futures Association, 13 registered clearing agencies, and the Municipal Securities Rulemaking Board.

The funding level authorized in this legislation is significantly higher than the fiscal year 2002 level, but there is ample justification. Much has changed since last year.

The commission needs funding for its e-government and information technology initiatives, telecommunications systems, and security enhancement. The commission has not received a staffing increase in the last 2 years, despite the additional responsibilities put upon it by the enactment of the Commodity Futures Modernization Act and the Gramm-Leach-Bliley Financial Services Modernization Act.

□ 1615

Now, with the tragic events of September 11 in which the SEC's Northeast regional office was destroyed and the deep crisis in confidence facing the markets, the challenges facing the SEC have never been greater. For the U.S. markets to remain the envy of the world, it is absolutely vital for the SEC to have the necessary resources to protect investors and promote capital formation. I urge all of my colleagues to support this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the adoption of the bill. Mr. Speaker, I am pleased to join with the gentleman from Ohio (Mr. OXLEY) in strongly supporting this legislation. Authorizing the resources that the SEC needs to provide meaningful market oversight is one of the most important steps we can take to restore the integrity of our markets, to restore confidence on the part of the public in the integrity of our markets.

Unfortunately, as our securities markets and public companies have skyrocketed in size and complexity, we

have done little to ensure that the SEC had the means to keep up. The SEC has fought a losing battle to keep up with the immense growth of corporate filings.

Transactional filings alone grew by almost 40 percent over the last half of the 1990s, but the resources available for reviewing those filings did not grow. Despite this increase in activity, staffing levels at the SEC remained flat over the same period and, in fact, declined during fiscal year 2002.

While the drop-off in IPOs last year enabled the SEC to review more of the annual financial statements filed by public companies than it had for many years, it was still able to review only 16 percent of those statements. That is grossly inadequate.

We are clearly now reaping the results of this historic neglect, with the number and size of restated financial reports due to financial misstatements and fraudulent accounting practices growing each year. The failure of Enron and the many issues for investors, employees, accountants, auditors and analysts raised by that failure and numerous other failures has further taxed the ability of the SEC to oversee the markets.

If we are to restore the quality and integrity of our financial reporting system, it is crucial that the SEC receive the funding necessary to increase the staff available to perform its market oversight functions, particularly regular reviews of corporate financial statements. Moreover, the SEC must have the additional enforcement staff necessary to bring enforcement actions swiftly when companies misrepresented their financial condition in their financial statements.

H.R. 3764 is a step to providing both authorizing funding for pay parity and doubling the staff of the Division of Corporate Finance, the Office of the Chief Accountant and the Division of Enforcement.

At a time when Americans have become more reliant on the performance of their stock investments for their savings and retirement, we cannot afford to allow the practices we have seen over the last few years continue to taint our markets. I was very disappointed that in the wake of the collapse of Enron and the successive waves of accounting scandals the President did not include a substantial increase in funding for the SEC in his budget request to Congress. The SEC plays a crucial role in the sound functioning of our markets and our economy and that crucial role cannot be ignored.

We in Congress must send a strong signal to the administration and to the world of the importance of a strong and fully functional SEC to restoring confidence in our markets. This bill is an important step towards creating that strong legislative response that might restore confidence in our financial reporting system and our securities markets.

If our capital markets are to retain their position as the most efficient and the most transparent in the world, it is critical that we ensure that our markets are subject to the best possible oversight; and only then will investors both at home and abroad regain their confidence that our markets are indeed the best in the world. Mr. Speaker, I urge the adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. OXLEY. Mr. Speaker, I reserve the balance of my time.

Mr. LAFALCE. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. LINDER). The gentleman from New York (Mr. LAFALCE) has 15 minutes remaining.

Mr. LAFALCE. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I rise in support of H.R. 3764, the SEC Reauthorization Act. The past year will go down in history as one of the most scandal ridden in the history of our Nation's capital markets. Enron, Global Crossing, TYCO, and ImClone all raise the clouds of insider corruption, massive financial restatements, and outright fraud on investors.

This bill takes an important step in assigning these episodes to history and ensuring that the SEC has the resources to prevent future problems. This legislation commits significant new resources to the SEC, which I can attest are truly needed based on what we have learned from hearings in the Committee on Financial Services.

The bill authorizes $776 million for the SEC in fiscal year 2003, $338 million more than the fiscal year appropriations 2002 level and $233 million, 43 percent more than the administration requested. At least $134 million will go to SEC's chief accountant and corporation finance division, $326 million to the enforcement division, and $76 million to pay parity.

While these sums are significant and necessary, my colleagues are well aware that the agency is funded through transaction fees and not traditional tax revenue. This pay parity money is especially important given the staff crisis the agency has experienced in recent years.

Having recently visited the SEC field office in the Woolworth Building in lower Manhattan, a facility that was formerly located in the World Trade Center complex, I can tell you that pay parity is truly, truly needed. Pay parity will bring SEC employees up to the pay levels of their colleagues at the Federal banking regulators. I believe the securities regulators should not be treated as a second-class citizen behind the bank regulators. It is bad for investors and industry, and this is a truly worthy investment.

I have already sent a bipartisan letter along with 27 of my colleagues on the Committee on Financial Services requesting funding for pay parity; and I want to thank the ranking member, the gentleman from New York (Mr. LAFALCE), for pushing for this provision and the gentleman from Ohio (Mr. OXLEY) for holding to his commitment in last year's fee reduction legislation to win pay parity.

Passage of this legislation today is yet another step on the road to winning back public confidence in our financial markets and rebuilding the trust of individual investors in financial reporting. It is my hope we build on it by passing real reform of the accounting industry with this Congress. To that end, I congratulate Senator SARBANES for his overwhelming bipartisan victory by a 17–4 vote for his accounting legislation in the Senate Banking Committee. I look forward to working on this legislation in the conference committee, and I urge passage of this bill.

Mr. OXLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. WOLF).

Mr. LAFALCE. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. WOLF).

Mr. WOLF. Mr. Speaker, I rise in support of H.R. 3764 and strongly support the additional funding for the Securities and Exchange Commission. However, I would like to point out a concern I have with some of the language in the bill.

This bill requires not less than $134 million for the Division of Corporate Finance and the Office of Chief Accountant and not less than $326 million for the Division of Enforcement. These amounts are double the level of funding requested by the President for these activities in fiscal year 2003. Enacting this legislation will require other programs to be cut by $231 million.

Our allocation of this bill, which has the FBI, DEA, INS, State Department, embassy security, the Karachi bombing last week and all of these other programs, is now down $393 million below, our allocation right now, $393 million below what the administration requested. So you add $393 million and $231 million, and I think you get a disaster for the Commerce Department, for the State Department, for the Justice Department, for the FBI, for the DEA, for the Bureau of Prisons.

So the Subcommittee on Commerce, Justice, State and Judiciary of the Committee on Appropriations, which has jurisdiction of the SEC, will have to reduce the funding requested for other agencies funded by the committee.

I hope, particularly in this war against terrorism, we really cannot cut the FBI. If you have a loved one working at an embassy around the world, we really cannot cut back embassy security. Anyone who thinks we can cut INS really has not been following the paper.

I would hope we could work on revising this bill language before the bill is conferenced with the Senate, or else I think we will have a major substantive defeat for the war against terrorism.

The administration I think has to do more with regard to the SEC. Pay parity is very important. But as you take these numbers with the allocation we will have a disaster.

Mr. OXLEY. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Speaker, I want to thank my friend from Virginia for yielding.

I point out that since the mid-1990s, as the gentleman knows, the SEC has been funded through section 31 fees and other fee operations.

During our debate on the legislation that reduced the fees, we came to understand that, clearly, those fees in this case would cover the operation of the SEC. As a matter of fact, history would suggest that the fees generate six times currently what it takes to run the SEC.

Mr. WOLF. Reclaiming my time, I know he is a good fellow and a classmate, that 54 group that came in 1980 changed America, but Customs brings in much more money than it costs to run Customs. The INS brings in much more money. I think this has always been a bookkeeping matter, and it does come out of the allocation. If this were to hold true, in addition to the allocation we would have to cut the FBI dramatically in addition to INS and the others.

Mr. OXLEY. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Speaker, I simply point out that I do not think at the end of the day that this is going to be an appropriations issue. It will be an issue that those fees will generate the amount of money necessary to run the SEC. That is what the legislation that passed in 1996 says. I have no reason to think that that will be any different and that the effect on the appropriations process will be minimal if any.

Mr. LAFALCE. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from New York.

Mr. LAFALCE. Mr. Speaker, one of the difficulties I had with the reduction of the securities fees bill were that people were just interested in reducing the fees, whether it was section 31, section 6, 13, 14, et cetera. They were not interested in beefing up the authorization of the SEC. They were not interested, unfortunately, in the earnings manipulations that were taking place.

Most of these fees do go into general revenues, and, therefore, are dependent on both authorization and appropriations; and the gentleman from Virginia (Mr. WOLF) is correct in that respect.

Mr. WOLF. Reclaiming my time, I want to thank the gentleman for his comments, too; and I want to thank both of the gentlemen for the pay parity. I have written the administration, written Mitch Daniels and asked him to send up a supplemental or something with regard to pay parity.

Mr. LAFALCE. The position of the administration on this issue is outrageous.

Mr. WOLF. Mr. Speaker, I agree.

Also, I will tell you, we are getting a little bit off the issue, but what concerns me is this money will come out of the FBI. The FBI today is underfunded.

□ 1630

Mr. LAFALCE. Mr. Speaker, in Buffalo, New York, they have computers that are worse than my laptop at home, and yet they are involved in anti- and counterterrorism with absolutely outdated computers.

Mr. WOLF. The gentleman is exactly right. That is why I am committed to bringing a bill and making sure that we give the FBI, and I know the gentleman from Ohio was a former FBI agent, to give them the resources, because quite frankly the gentleman from New York is right, outdated. That is why I was so concerned that we are in essence taking this away from the other categories in the bill which would be a defeat for the war on terrorism. I know the gentleman from Ohio (Mr. OXLEY) will work this out.

Mr. OXLEY. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Speaker, I would literally be the last person in this Congress to cut FBI funding. In my estimation this does not do that. Those fees, the cost to the SEC comes out of those fees; and I want to make certain that that is the case.

Mr. WOLF. Mr. Speaker, I thank the gentleman for his response.

Mr. LAFALCE. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas (Mr. BENTSEN).

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, I thank the gentleman for yielding me the time, and I rise in strong support of the bill. I had not intended to talk about the budget aspects; but since our friend from Virginia brought up the issue of the budget, one, I want to concur with the comments of the chairman and the ranking member of the Committee on Financial Services. And I might say to the gentleman from Virginia, since the capital markets operate on confidence and the fact that there is a malaise over the capital markets now and a great deal of lack of confidence, were we not to provide the Securities and Exchange Commission with the resources that they need to rebuild confidence in the marketplace, I think the chairman of the Subcommittee on Commerce, Justice, State and Judiciary's concern about 302(b) allocations would be far greater in the future because he is going to see a continued deterioration of the general economy, a continued degeneration of our general revenues, and he is going to have a lot bigger problems to deal with than trying to fund the FBI and fund other agencies than worrying about whether or not we are going to provide the SEC with the resources that it needs.

Furthermore, as the gentleman from New York raised and our chairman from Ohio raised, the fact is that for too long the SEC fees have been a way to fund other portions of the government; and at a time when we need to put more resources, particularly in the accounting division, the corporate finance division, the enforcement division of the Securities and Exchange Commission, this is when we need those fees back, and that is what this bill is doing, in addition to the parity issue, in authorizing the funding for it.

So while we can feel the pain of the chairman of the Subcommittee on Commerce, Justice, State and Judiciary's allocation problem, that has nothing to do with the origin of this bill. It has nothing to do with the needs of the Securities and Exchange Commission because they have raised the funds from the investors and the participants in the marketplace. That marketplace is under a cloud right now. Were we not to provide those resources to ensure that there is efficient, sufficient enforcement of the rules of the marketplace, or the rules of the field, then we would suffer across our entire budget; but more importantly, we would be suffering across our general economy. And not a day goes by that there is not another story in the financial press about another earnings restatement, about new indictments of individuals who have been cooking the books of public companies; and now in this last week we have seen the markets go down because foreign investors who heretofore had seen value in investing in U.S. markets had decided that that value may no longer exist and so they are pulling their money out and putting it back in Europe and Asia, exacerbating our current account balance, which again could have profound macroeconomic effects on our general economies.

So I commend the chairman and the ranking member for bringing this bill up. I hope the House will pass it and let us not worry about the budget debates when concerned with this bill.

Mr. OXLEY. Madam Speaker, I am pleased to yield 3 minutes to the gentleman from Louisiana (Mr. BAKER), the chairman of the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises.

Mr. BAKER. Madam Speaker, I thank the chairman for yielding me this time, and I rise to support the adoption of the resolution which he has brought to the House this afternoon and wish to speak to the issues raised by the gentleman from Virginia earlier in the afternoon.

The House did act last year to reduce the fees on transactions relating to stock transfers, and secondly, in the content of this resolution, does make provision for pay parity, both of which do bring about expenditure of Federal

resources. Even after the consideration of both those effects, the adoption of pay parity and the reduction in the fees collected for SEC transactions, the projected budget receipts next year for the SEC from all fees will exceed $1.5 billion. Even with the pay parity provisions contained in this resolution, the expenditures for the agency, once enhanced at this new operational level, will only equal $776 million. The difference is still an $800 million surplus in fees received versus expenditures made.

Obviously, it is the 302(b) allocations which are causing the difficulty for the Subcommittee on Commerce, Justice, State and Judiciary's Chair; but it has nothing to do with there being a lack of revenue coming from SEC activities. I think it was perfectly appropriate through the Congress to reduce fees and certainly essential that we adopt the pay parity provisions which will enable the SEC to keep qualified, professional regulators on the level of compensation of all other financial regulators.

So to that end, I think it is extremely important for the House to act to adopt this resolution and provide the SEC with the important needed resources; and we will address those appropriations concerns as we move into the fall, and hopefully our chairman will be able to reconcile these differences with the Committee on Appropriations members so that the provisions made available to the SEC today will enable them to act appropriately on any and all complaints.

If there is anything significant and important this Congress can do with regard to the current market instability, it is to provide closure with regard to the investigatory capability to get to the bottom of wrongdoing, to hold those accountable responsible; and I think this action today, enabling the SEC to have all the adequate supervisory staff they need, is an essential step in helping bring back confidence and customer confidence in making investments in our capital markets, which are the strongest, deepest, broadest of any in the world; and I think this action is extraordinarily important to bring about that resolution.

I thank the Chair for yielding me the time.

Mr. LAFALCE. Madam Speaker, I yield 4 minutes to the distinguished gentleman from California.

(Mr. SHERMAN asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. SHERMAN. Madam Speaker, I want to join the last speaker in his analysis, showing that the fees paid by individual investors is more than enough to provide for beefed-up SEC enforcement. But what the other party does is they use those fees collected from individual investors as a profit center to then fund tax cuts for the wealthiest 1 percent of Americans, and when we suggest that the fees paid by individual investors should be used to protect those investors, we are told that takes money away from the war against terrorism. Shame. We ought to be collecting adequate revenues to keep our country safe from terrorism, and the fees paid by individual investors are more than enough to provide every penny this bill authorizes and, frankly, more.

I come to the floor to bring to the Congress' attention one section of this bill, section 3, that says it is the sense of Congress that the SEC should conduct an annual review of the annual financial statements of the 500 largest issuers. Why is this provision necessary? The SEC has two approaches to reviewing financial statements.

If one is a small company trying for the first time to raise 10 or $20 million, then they file their red herring, their first draft. The SEC reviews it carefully; they issue a comment letter. If there is anything confusing, misleading or incomplete, they have to bring their filing up to specifications and only then do they go to the public; but if they are one of the biggest and richest companies in America, if they are already a publicly traded corporation, if they are raising or responsible on the market for 60 or 80 or $100 billion in capitalization, if they are Enron, then the SEC just does not read what they file, as they did not read Enron's financial statements for 1997, 1998, 1999. They did not read those statements until the collapse.

What would have happened if they read those statements? They would have seen a number of footnotes in the financial statements that are utter gobbledy gook. I know to the average layperson all of the footnotes are gobbledy gook, but these were incomprehensible to an analyst, the CPAs. If the SEC had bothered to read these footnotes, they would have demanded clarification. Instead, they did not read them at all.

The SEC, however, at least its chairman, is hostile, believe it or not, to the idea of reading the financial statements of the 500 largest companies. That is because there is an element at the SEC that believes that investors need to be protected from Joe Inventor who is trying to raise 5 or $10 million, but that we do not need any protection from Kenneth Lay because, after all, those in the tallest buildings of the biggest companies are inherently so honest that the SEC does not need to review what they file.

This approach to the SEC's work is wrong, and that is why I am glad that this section is in the bill; but when I asked the SEC to tell us what it would cost so that the appropriators could provide the resources, the response of Chairman Pitt was to say that he was going to refuse to provide that information because he disagreed with the proposal. Now the proposal will be included in legislation passed by the House. The Congress will adopt language saying that it is our sense that the SEC do this work.

The SEC will then probably continue to refuse to tell Congress what it would cost to actually read the most important documents filed with the SEC, to comment on them and to demand clarification.

I would like to enter into the RECORD the letter sent to me on May 21 by Chairman Pitt, in which he refuses to provide information as to what it would cost to read the financial statements of the 500 or 1,000 largest companies, and I would hope that this provision will remain in the bill in conference and that Congress will not allow an SEC chairman to refuse to provide us with even an estimate of what it would cost to do something that we in the House are about to declare ought to be done, but that instead we have an SEC that takes its responsibility to protect those who invest in the biggest companies, takes that responsibility as seriously as they do their responsibility to protect those who invest in the smallest.

The letter referred to follows:

U.S. SECURITIES AND EXCHANGE COMMISSION,
Washington, DC, May 21, 2002.

Hon. BRAD SHERMAN,
Committee on Financial Services, House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN SHERMAN: During my testimony before the House Financial Services Committee on March 20, 2002, you requested that I submit for the record an estimate of the increase in reviews. You asked that a cost estimate be provided for annual reviews at three levels of effort covering the top 500, 1000 and 2000 firms. As I noted during the hearings, it is impractical for Congress to attempt to provide the Commission with sufficient resources to do a comprehensive review of the top 500, 1000 or 2000 companies. Apart from the enormous cost of such a process, there is ultimately no assurance that the additional expenditures would ensure the quality of audits or financial reporting.

As I noted in my testimony, the Administration's request for fiscal year 2002 supplemental funding includes $20 million to finance 100 new positions for the Commission. Our plan would be to allocate 30 positions to the Division of Corporation Finance to expand, improve and expedite our review of periodic filings. Our Division of Corporation Finance has undertaken to monitor the annual reports submitted by all Fortune 500 companies that file periodic reports with the Commission in 2002. This new initiative, which we announced in December, significantly expands the Division's review of financial and non-financial disclosures made by public companies. The additional funds would allow the Division to perform full reviews of more public companies' annual filings.

Thank you for your support of the Commission's programs. Should you have additional questions, I would be pleased to be of assistance.

Your truly,

HARVEY L. PITT.

Mr. LAFALCE. Madam Speaker, I yield myself such time as I may consume.

Let me simply make a few comments. I think that we should have been much more aware of the problems in our financial markets before the revelation of Enron. There had been

countless earnings restatements that were mandated by the SEC, and this was just on the few cases they were able to review. We should have been clamoring for an increase in the budget of the SEC long before now.

At the very beginning of 2001, when our committee obtained jurisdiction for the first time over securities, I began calling not for a 2 or a 3 or a 4 percent increase in the budget but for a 200, a 300, a 400 percent increase in the budget. I did this in our committee. I did this before the Committee on Rules. I did it on the floor of the House.

After Enron, I was at least hopeful that the President of the United States in his State of the Union address would recognize the gravity of the problem, and he barely mentioned Enron, not by name, but he barely mentioned the nature of the problem. I was then hopeful that in his budget submission to the Congress he would call for a huge significant increase in the resources. He did not. He called for but a 6 percent increase in the resources of the SEC.

That is woefully inadequate, as virtually everyone has come to realize. Certainly the gentleman from Ohio (Mr. OXLEY), the chairman of the Committee on Financial Services, realizes that is woefully inadequate; and that is why he has been promoting this bill.

A few weeks or so ago, I had the pleasure of having dinner with the chief economic adviser to the President of the United States, Mr. Lindsay, and the gentleman from Ohio (Mr. OXLEY), the chairman of the Committee on Financial Services, was present; and I questioned him about the adequacy of that 6 percent increase that the President had called for and he defended it. He defended it.

The position of the administration is absolutely outrageous. They still have their heads in the sand on this issue.

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It is time for them to get their head out of the sand, and maybe unanimous passage of this bipartisan bill will help do that. I urge everyone to support it.

Madam Speaker, I yield back the balance of my time.

Mr. OXLEY. Madam Speaker, I yield myself such time as I may consume; and, in conclusion, let me just point out something to the gentleman from California.

The 16 percent figure of review of the top 500 companies is nothing new. I cannot remember ever, in the history of this country, any SEC ever viewing all 500 companies; and I think it is important to point that out for the record. It was not this particular SEC but many previous SECs that were in that same category.

Mr. GILMAN. Madam Speaker, I rise today in support of H.R. 3764 and would like to thank the gentleman from Ohio, my friend and colleague Congressman OXLEY, for introducing this initiative. I urge my colleagues to support this worthy legislation.

This act will appropriate the necessary funds to the Securities and Exchange Commissions, in both its Division of Corporate Finance and Division of Enforcement. Moreover, it will allocate the necessary funds to implement sections of past legislation. It will also work to establish an annual review of the annual financial statements filed with the Commission by the largest 500 reporting issuers. This legislation will no doubt work toward increasing the transparency in the business practices of our nation's largest companies.

It is obvious that today our nation's financial regulators must be given the appropriate resources to properly monitor our nation's corporate sector. The Enron saga and more recently the Imclone fiasco have demonstrated the grave situation existing within our financial world. This act is undoubtedly a step in the right direction in our battle against unethical business practices driven by the vices of greed and dishonesty.

It is imperative that we take these steps to further fund the Securities and Exchange Commission. It is clear that these provisions are essential given the recent developments regarding several large American companies and the unethical business practices which have taken place. Accordingly, I urge my colleagues to support these measures.

Mr. OXLEY. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 3764, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LAFALCE. Madam Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SILVER EAGLE COIN CONTINUATION ACT OF 2002

Mr. OXLEY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4846) to amend title 31, United States Code, to clarify the sources of silver for bullion coins, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Silver Eagle Coin Continuation Act of 2002''.

SEC. 2. DELETION OF LIMITATION ON ACQUISITION OF SILVER FOR $1 COIN FROM ABOLISHED STOCK PILE.

(a) FINDINGS.—The Congress finds that—

(1) the American Eagle silver bullion coin leads the global market, and is the largest and most popular silver coin program in the United States;

(2) established in 1986, the American Eagle silver bullion program is the most successful silver bullion program in the world;

(3) from fiscal year 1995 through fiscal year 2001, the American Eagle silver bullion program generated—

(A) revenues of $264,100,000; and

(B) sufficient profits to significantly reduce the national debt;

(4) with the depletion of silver reserves in the Defense Logistic Agency's Strategic and Critical Materials Stockpile, it is necessary for the Department of the Treasury to acquire silver from other sources in order to preserve the American Eagle silver bullion program;

(5) with the ability to obtain silver from other sources, the United States Mint can continue the highly successful American Eagle silver bullion program, exercising sound business judgment and market acquisition practices in its approach to the silver market, resulting in continuing profitability of the program;

(6) in 2001, silver was commercially produced in 12 States, including, Alaska, Arizona, California, Colorado, Idaho, Missouri, Montana, Nevada, New Mexico, South Dakota, Utah, and Washington;

(7) Nevada is the largest silver producing State in the Nation, producing—

(A) 17,500,000 ounces of silver in 2001; and

(B) 34 percent of United States silver production in 2000;

(8) the mining industry in Idaho is vital to the economy of the State, and the Silver Valley in northern Idaho leads the world in recorded silver production, with over 1,100,000,000 ounces of silver produced between 1884 and 2001;

(9) the largest, active silver producing mine in the Nation is the McCoy/Cove Mine in Nevada, which produced more than 107,000,000 ounces of silver between 1989 and 2001;

(10) the mining industry in Idaho—

(A) employs more than 3,000 people;

(B) contributes more than $900,000,000 to the Idaho economy; and

(C) produces $70,000,000 worth of silver per year;

(11) the silver mines of the Comstock lode, the premier silver producing deposit in Nevada, brought people and wealth to the region, paving the way for statehood in 1864, and giving Nevada its nickname as ''the Silver State'';

(12) mines in the Silver Valley—

(A) represent an important part of the mining history of Idaho and the United States; and

(B) have served in the past as key components of the United States war effort; and

(13) silver has been mined in Nevada throughout its history, with every significant metal mining camp in Nevada producing some silver.

(b) IN GENERAL.—Section 5116(b)(2) of title 31, United States Code, is amended—

(1) in the 1st sentence, by striking '', except silver transferred'' and all that follows through the period at the end of such sentence and inserting ''or may obtain silver from other sources as appropriate.''; and

(2) by striking the 2nd sentence.

(b) STUDY REQUIRED.—

(1) STUDY.—The Secretary of the Treasury shall conduct a study of the impact on the United States silver market of the coins minted and issued under section 5112(e) of title 31, United States Code.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Treasury shall submit a report of the study conducted under paragraph (1) to the chairman and ranking minority member of—

(A) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(B) the Committee on Financial Services of the House of Representatives.

(c) ANNUAL REPORT.—

(1) IN GENERAL.—The Director of the United States Mint shall prepare and submit

to the Congress an annual report on the purchases of silver made by the Secretary of the Treasury under section 5116 of title 31, United States Code, on behalf of the United States Mint.

(2) CONCURRENT SUBMISSION.—The report required by paragraph (1) may be incorporated into the annual report of the Director of the United States Mint on the operations of the mint and assay offices, referred to in section 1329 of title 44, United States Code.

SEC. 3. CLARIFICATION OF EXISTING LAW.

(a) IN GENERAL.—Section 5134(f)(1) of title 31, United States Code, is amended to read as follows:

''(1) PAYMENT OF SURCHARGES.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, no amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall be paid from the fund to any designated recipient organization unless—

''(i) all numismatic operation and program costs allocable to the program under which such numismatic item is produced and sold have been recovered; and

''(ii) the designated recipient organization submits an audited financial statement that demonstrates, to the satisfaction of the Secretary, the amount of funds the organization has raised from private sources for all projects or purposes for which the proceeds of such surcharge may be used.

''(B) MATCHING FUND REQUIREMENT.—Notwithstanding any other provision of law, the amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item that may otherwise be paid from the fund, under any provision of law relating to such numismatic item, to any designated recipient organization shall not exceed the amount the organization has demonstrated, in accordance with subparagraph (A)(ii), that the organization has raised from private sources for all projects or purposes for which the proceeds of such surcharge may be used.

''(C) UNPAID AMOUNTS.—If any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item that may otherwise be paid from the fund, under any provision of law relating to such numismatic item, to any designated recipient organization remains unpaid to such organization solely by reason of the matching fund requirement contained in subparagraph (B) after the end of the 2-year period beginning on the later of—

''(i) the last day any such numismatic item is issued by the Secretary; or

''(ii) the date of the enactment of the Silver Eagle Coin Continuation Act of 2002,

such unpaid amount shall be deposited in the Treasury as miscellaneous receipts.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply as of the date of the enactment of Public Law 104–208.

SEC. 4. RESTATEMENT AND REORGANIZATION OF SECTION 5136 OF TITLE 31, UNITED STATES CODE.

(a) IN GENERAL.—Section 5136 of title 31, United States Code, is amended to read as follows:

''§ 5136. United States Mint Public Enterprise Fund

''(a) ESTABLISHMENT.—There shall be established in the Treasury of the United States, a fund to be known as the United States Mint Public Enterprise Fund.

''(b) OPERATIONS OF THE FUND.—

''(1) DEPOSIT OF RECEIPTS.—All receipts from Mint operations and programs, including the production and sale of numismatic items, the production and sale of circulating coinage, the protection of Government assets, and gifts and bequests of property, real or personal shall be deposited into the Fund and shall be available without fiscal year limitations.

''(2) PAYMENT OF EXPENSES.—All expenses incurred by the Secretary for operations and programs of the Mint that the Secretary determines, in the Secretary's sole discretion, to be ordinary and reasonable incidents of Mint operations and programs, and any expense incurred pursuant to any obligation or other commitment of Mint operations and programs that was entered into before the establishment of the Fund, shall be paid out of the Fund.

''(3) BORROWING AUTHORITY.—

''(A) IN GENERAL.—The Secretary may borrow such funds from the General Fund as may be necessary to meet existing liabilities and obligations incurred prior to the receipt of revenues into the Fund.

''(B) REPAYMENT WITHIN 1 YEAR.—The General Fund shall be reimbursed by the Fund for the amount of any loan under subparagraph (A) within 1 year of the date of the loan.

''(4) PROCEEDS OF SALE OF CIRCULATING COINS.—The Fund may retain receipts from the Federal Reserve System from the sale of circulating coins at face value for deposit into the Fund (retention of receipts is for the circulating operations and programs).

''(5) EXPENSES OF CITIZENS COMMEMORATIVE COIN ADVISORY COMMITTEE.—For purposes of paragraph (2), any expense incurred by the Secretary in connection with the Citizens Commemorative Coin Advisory Committee established under section 5135 shall be treated as an ordinary and reasonable incident of Mint operations and programs.

''(6) TRANSFER OF EXCESS AMOUNTS TO THE TREASURY.—

''(A) IN GENERAL.—At such times as the Secretary determines appropriate, but not less than annually, any amount in the Fund that is determined to be in excess of the amount required by the Fund shall be transferred to the Treasury for deposit as miscellaneous receipts.

''(B) REPORT TO CONGRESS.—The Secretary shall submit an annual report to the Congress containing—

''(i) a statement of the total amount transferred to the Treasury pursuant to subparagraph (A) during the period covered by the report;

''(ii) a statement of the amount by which the amount on deposit in the Fund at the end of the period covered by the report exceeds the estimated operating costs of the Fund for the 1-year period beginning at the end of such period; and

''(iii) an explanation of the specific purposes for which such excess amounts are being retained in the Fund.

''(c) INITIAL CAPITALIZATION OF FUND.—The Secretary shall transfer to the Fund all assets and liabilities of the Mint operations and programs, including all Numismatic Public Enterprise Fund assets and liabilities, all receivables, unpaid obligations and unobligated balances from the Mint's appropriation, the Coinage Profit Fund, and the Coinage Metal Fund, and the land and buildings of the Philadelphia Mint, Denver Mint, and the Fort Knox Bullion Depository.

''(d) BUDGET TREATMENT.—

''(1) IN GENERAL.—The Secretary shall prepare budgets for the Fund, and estimates and statements of financial condition of the Fund in accordance with the requirements of section 9103 which shall be submitted to the President for inclusion in the budget submitted under section 1105.

''(2) INCLUSION IN ANNUAL REPORT.—Statements of the financial condition of the Fund shall be included in the Secretary's annual report on the operation of the Mint.

''(3) TREATMENT AS WHOLLY OWNED GOVERNMENT CORPORATION FOR CERTAIN PURPOSES.—Section 9104 shall apply to the Fund to the same extent such section applies to wholly owned Government corporations.

''(e) FINANCIAL STATEMENTS, AUDITS, AND REPORTS.—

''(1) ANNUAL FINANCIAL STATEMENT REQUIRED.—By the end of each calendar year, the Secretary shall prepare an annual financial statement of the Fund for the fiscal year which ends during such calendar year.

''(2) CONTENTS OF FINANCIAL STATEMENT.—Each statement prepared pursuant to paragraph (1) shall, at a minimum, contain—

''(A) the overall financial position (including assets and liabilities) of the Fund as of the end of the fiscal year;

''(B) the results of the numismatic operations and programs of the Fund during the fiscal year;

''(C) the cash flows or the changes in financial position of the Fund;

''(D) a reconciliation of the financial statement to the budget reports of the Fund; and

''(E) a supplemental schedule detailing—

''(i) the costs and expenses for the production, for the marketing, and for the distribution of each denomination of circulating coins produced by the Mint during the fiscal year and the per-unit cost of producing, of marketing, and of distributing each denomination of such coins; and

''(ii) the gross revenue derived from the sales of each such denomination of coins.

''(3) ANNUAL AUDITS.—

''(A) IN GENERAL.—Each annual financial statement prepared under paragraph (1) shall be audited—

''(i) by—

''(I) an independent external auditor; or

''(II) the Inspector General of the Department of the Treasury,

as designated by the Secretary; and

''(ii) in accordance with the generally accepted Government auditing standards issued by the Comptroller General of the United States.

''(B) AUDITOR'S REPORT REQUIRED.—The auditor designated to audit any financial statement of the Fund pursuant to subparagraph (A) shall submit a report—

''(i) to the Secretary by March 31 of the year beginning after the end of the fiscal year covered by such financial statement; and

''(ii) containing the auditor's opinion on—

''(I) the financial statement of the Fund;

''(II) the internal accounting and administrative controls and accounting systems of the Fund; and

''(III) the Fund's compliance with applicable laws and regulations.

''(4) ANNUAL REPORT ON FUND.—

''(A) REPORT REQUIRED.—By April 30 of each year, the Secretary shall submit a report on the Fund for the most recently completed fiscal year to the President, the Congress, and the Director of the Office of Management and Budget.

''(B) CONTENTS OF ANNUAL REPORT.—The annual report required under subparagraph (A) for any fiscal year shall include—

''(i) the financial statement prepared under paragraph (1) for such fiscal year;

''(ii) the audit report submitted to the Secretary pursuant to paragraph (3)(B) for such fiscal year;

''(iii) a description of activities carried out during such fiscal year;

''(iv) a summary of information relating to numismatic operations and programs contained in the reports on systems on internal accounting and administrative controls and accounting systems submitted to the President and the Congress under section 3512(c);

''(v) a summary of the corrective actions taken with respect to material weaknesses

relating to numismatic operations and programs identified in the reports prepared under section 3512(c);

''(vi) any other information the Secretary considers appropriate to fully inform the Congress concerning the financial management of the Fund; and

''(vii) a statement of the total amount of excess funds transferred to the Treasury.

''(5) MARKETING REPORT.—

''(A) REPORT REQUIRED FOR 10 YEARS.—For each fiscal year beginning before fiscal year 2003, the Secretary shall submit an annual report on all marketing activities and expenses of the Fund to the Congress before the end of the 3-month period beginning at the end of such fiscal year.

''(B) CONTENTS OF REPORT.—The report submitted pursuant to subparagraph (A) shall contain a detailed description of—

''(i) the sources of income including surcharges; and

''(ii) expenses incurred for manufacturing, materials, overhead, packaging, marketing, and shipping.

''(f) SUPERSESSION OF NUMISMATIC PUBLIC ENTERPRISE FUND, THE COINAGE PROFIT FUND, AND THE COINAGE METAL FUND.—

''(1) IN GENERAL.—The Numismatic Public Enterprise Fund, the Coinage Profit Fund, and the Coinage Metal Fund shall cease to exist as separate funds as the activities and functions of the respective funds are subsumed under and become subject to the Fund.

''(2) REFERENCES IN FEDERAL LAW TO OTHER FUNDS.—Any reference in any Federal law to the Numismatic Public Enterprise Fund, the Coinage Profit Fund, or the Coinage Metal Fund shall be deemed to be a reference to the Fund.

''(3) REFERENCES IN FEDERAL LAW TO SECTION 5134.—Any reference in any Federal law to section 5134 shall be deemed to be a reference to this section.

''(g) DEFINITIONS.—For purposes of this section, the following definitions shall apply.—

''(1) FUND.—The term 'Fund' means the United States Mint Public Enterprise Fund established under this section.

''(2) MINT.—The term 'Mint' means the United States Mint.

''(3) MINT OPERATIONS AND PROGRAMS.—The term 'Mint operations and programs'—

''(A) means the activities concerning, and assets utilized in, the production, administration, distribution, marketing, purchase, sale, and management of coinage, numismatic items, the protection and safeguarding of Mint assets and those nonmint assets in the custody of the Mint, and the Fund; and

''(B) includes capital, personnel salaries and compensation, functions relating to operations, marketing, distribution, promotion, advertising, official reception and representation, the acquisition or replacement of equipment, the renovation or modernization of facilities, and the construction or acquisition of new buildings.

''(4) NUMISMATIC ITEM.—The term 'numismatic item' includes any medal, proof coin, numismatic collectible, other monetary issuances and products, and accessories related to any such medal or coin.

''(5) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

''(h) GENERAL WAIVER.—No provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out Mint programs and operations.''.

(b) RULE OF CONSTRUCTION.—The amendment made by subsection (a) to section 5136 of title 31, United States Code—

(1) may not be construed as making any substantive change in the meaning of any provision of such section (as in effect on the day before the effective date of such amendment); and

(2) shall not affect any regulation prescribed, any order issued, or any action taken before the effective date of such amendment under or pursuant to such section (as in effect on the day before such date).

(c) TECHNICAL CORRECTION.—

(1) IN GENERAL.—Section 522 of Public Law 104–52 (109 Stat. 494) is amended—

(A) by striking the closing quotation marks after ''PUBLIC ENTERPRISE FUND.'' and inserting ''—''; and

(B) by inserting closing quotation marks and a second period after the period at the end.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective as if such amendment had been included in section 522 of Public Law 104–52 as of the date of the enactment of that Act.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TRANSFER OF SUPERSEDED PROVISIONS NOT PREVIOUSLY INCLUDED.—Subsections (f) and (g) of section 5134 of title 31, United States Code (as subsection (f) is amended by section 3 of this Act) are hereby—

(A) transferred to section 5136 of title 31, United States Code (as amended by subsection (a) of this section);

(B) inserted after subsection (h); and

(C) redesignated as subsections (i) and (j), respectively.

(2) REPEAL OF SUPERSEDED PROVISIONS.—

(A) Section 5111 of title 31, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) [Repealed]''.

(B) Section 5116(b)(1) of title 31, United States Code, is amended by striking the last sentence.

(C) Section 5120(a) of title 31, United States Code, is amended—

(i) in paragraph (1), by striking ''the coinage metal fund under section 5111(b) of this title'' and inserting ''the United States Mint Public Enterprise Fund''; and

(ii) by striking paragraph (2).

(D) Section 5132(a)(1) of title 31, United States Code, is amended by striking the first 2 sentences.

(E) Section 5134 of title 31, United States Code, is hereby repealed.

(e) CLERICAL AMENDMENTS.—The table of sections for subchapter III of chapter 51, United States Code, is amended—

(1) by striking the item relating to section 5134 and inserting the following new item:

''5134. [Repealed].'';

(2) by striking the item relating to section 5135 and inserting the following new item:

''5135. Citizens Commemorative Coin Advisory Committee.''; and

(3) by inserting after the item relating to section 5135 the following new item:

''5136. United States Mint Public Enterprise Fund.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. OXLEY) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

GENERAL LEAVE

Mr. OXLEY. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to insert extraneous material on this legislation, H.R. 4846.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OXLEY. Madam Speaker, I yield myself 5 minutes.

Madam Speaker, I rise to support H.R. 4846, the Silver Eagle Coin Continuation Act of 2002.

The American Silver Eagle coin is truly a coin for the bullion market. It was authorized by Congress in 1983, spurred partly by the success of the Canadian Maple Leaf $1 investment grade coin.

The American Silver Eagle has gone on to become the most popular investment coin in the entire world. More than 100 million have been sold, and the Maple Leaf dollar has been pretty much displaced from the market. The Mint sells the coins for an amount that includes the actual silver cost, plus manufacturing, distribution and marketing costs. Right now, the coin sells for about $6.75 in uncirculated form.

Madam Speaker, when Congress authorized the Silver Eagle coin program, the United States maintained a number of strategic materials stockpiles, and Congress quite naturally mandated that the silver for the new coin come from the strategic silver stockpile. In the last decade, however, recognizing that there was no longer a real need for most of the strategic materials stockpiles, Congress ordered a drawdown of those reserves.

We now have come to the end of the strategic silver stockpile, but to continue the Silver Eagle coin program we must allow the Secretary of the Treasury, through the Mint, to acquire silver from another source. The legislation before us does just that, keeping the program intact and maintaining jobs both at the U.S. Mint facilities where the coin is produced and at the refineries where the bullion for the coins is refined.

This bill was ably drafted by the gentleman from Oklahoma (Mr. LUCAS) and includes language addressing the silver problem introduced separately by the gentleman from Idaho (Mr. OTTER).

Madam Speaker, the legislation before us also has two other sections. One is merely clerical, restating the Mint's authority to operate but not adding or subtracting from that authority. The bulk of the language will be consolidated into a single section of the U.S. Code, and some archaic references to long- defunct Mint operations are removed from law. Also, the bill clarifies language referring to the distribution of surcharges on the sale of U.S. commemorative coins, making it clear that organizations which benefit from the surcharges must raise matching funds from private sources.

Madam Speaker, compared to some of the legislation we will consider in the House this week, this is indeed a minor bill, but to the men and women whose jobs are on the line if we do not allow a new source of silver for the American Silver Eagle coin program or for the beneficiary organizations that would receive surcharge funding from

the sale of commemorative coins, it is most important; and I urge swift passage of the bill.

Madam Speaker, I reserve the balance of my time.

Mrs. MALONEY of New York. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, as ranking member of the Subcommittee on Domestic Monetary Policy, Technology, and Economic Growth, I am pleased to rise in support of H.R. 4846, the Silver Eagle Coin Continuation Act of 2002, a version of which passed the Senate last week by unanimous consent.

Madam Speaker, the United States Mint's most popular Silver Eagle coin program needs the assistance of Congress. Our strategic stockpile of silver, which once held upwards of 730 million ounces, is nearly depleted. In the years after World War II, this silver reserve was developed at such a rate as to eliminate the need for further mining. Since 1986, the U.S. Mint has slowly but surely consumed the stockpile, creating 1-ounce investment coins at the rate of about 10 million ounces per year. By this summer's end, our surplus in silver will be gone. Since the silver Eagle coin program was created, the U.S. Mint has consumed 137 million ounces.

In addition to being popular with our constituents, the program is a boon to the Treasury. The popularity of the Silver Eagle coin continues to rise and, according to press reports, nets more than $264 million to the Treasury. And it has brought this money in since 1986.

When Congress created the coin, it specified that the source of silver for the coin be the Nation's strategic silver stockpile alone. Congress then failed to note that, at the extinction of the stockpile, the Mint would lack authority to acquire silver for the coin from any other source. This legislation corrects this oversight.

Without silver, the U.S. Mint cannot continue producing these coins. Our major blank coin vendors, which have remained dependent upon our silver stockpile, will face eminent layoffs and possible shutdowns, which could take up to 6 months to recover from. This situation can be avoided if we pass this legislation now.

Madam Speaker, all three sections of this legislation are technical in nature and, to my knowledge, not at all controversial. I believe the House should send this bill, which contains a nearly exact version of the Senate bill, to the Senate quickly for swift passage so that the coin program can stay in operation and workers can stay on the job. The Senate has acted, and we should follow its lead. I urge support of this legislation.

Madam Speaker, I reserve the balance of my time.

Mr. OXLEY. Madam Speaker, I am pleased to yield 5 minutes to the gentleman from Oklahoma (Mr. LUCAS), the author of the legislation.

Mr. LUCAS of Oklahoma. Madam Speaker, I rise in strong support of H.R. 4846, the Silver Eagle Coin Continuation Act of 2002 and, of course, urge its immediate passage.

The legislation before us is simple yet important. When Congress, as has been noted, authorized the United States Mint to strike and sell investment-grade silver bullion coins, it directed that the silver to make such coins come only from the strategic silver stockpile established under the Strategic and Critical Stockpiling Act. Later, Congress ordered the sell-off of many of these stockpiles, including the silver stockpile, but in an oversight did not allow for a new source of silver for the American Silver Eagle coin program once the stockpile was depleted.

I would like to note for the record that the stockpile is now totally depleted, with the last shipment being made to the silver refiners within the past 2 weeks. However, that means that, without a change in law authorizing a new source of the silver used in the coin, the program will grind to a halt. That would disappoint investors but also have implications for jobs at the Mint and at the silver refiners here in the United States.

Madam Speaker, the Silver Eagle coin program has been an enormous success. Since those first coins were produced in 1986, nearly 115 million of the one-troy-ounce silver coins have been sold. The coin is made from .999 fine silver, much purer than the old traditional cartwheel silver dollars, such as the Morgan dollars, which were 90 percent pure. The obverse, or face, design is from the famous ''Walking Liberty'' half dollar design, designed by Adolph A. Weinman and produced between 1916 and 1947. The eagle on the reverse is a new design by John Mercanti. The coins are sold for the spot cost of the one ounce of silver, plus manufacturing, marketing, and distribution costs. Currently, an uncirculated coin sells for about $6.75.

The legislation before us, using legislative language introduced in the House by the gentleman from Idaho (Mr. OTTER), simply strikes a reference to using the silver stockpile as the source for the silver coin program, directing the silver be acquired from appropriate other sources as defined by law.

The bill before us has two other sections also, both minor. One clarifies the congressional intent in the mid-1990 reforms of the commemorative coin programs that were offered by the gentleman from Delaware (Mr. CASTLE). Those reforms directed that organizations that are the beneficiaries of surcharges from the sale of commemorative coins must raise from private sources funds to match the surcharges received. There has been some confusion about how the match would work, and this legislation clarifies that arrangement.

This section also creates a mechanism for the eventual disposal of any surcharge funds not paid out to a beneficiary organization because of a failure to raise those matching funds. Currently, in Federal law, there is no such mechanism.

Finally, the bill consolidates and restates the United States Mint's main operating authorities, clearing out some obsolete language. No additions or subtractions to the authorities are made. This is strictly a housekeeping effort.

Madam Speaker, while all three sections of this bill are minor in the overall scheme of things, they are important to many. Giving the American Silver Eagle program a new source of silver will ensure those who want investment grade silver coins can continue to buy them and ensure that the jobs of those who so capably make these coins are maintained. Clarifying the matching funds requirement will make the bookkeeping understandable in our commemorative coin program, and consolidating the Mint's operating authorities will make reference to those portions of the U.S. Code much clearer.

Madam Speaker, I urge my colleagues to support this legislation.

Mrs. MALONEY of New York. Madam Speaker, having no further requests for time, I yield back the balance of my time.

Mr. OXLEY. Madam Speaker, I am pleased to yield 3 minutes to the gentleman from Idaho (Mr. OTTER), who has shown great leadership on this issue.

Mr. OTTER. Madam Speaker, I rise today in support of H.R. 4846 offered by my good friend and colleague, the gentleman from Oklahoma (Mr. LUCAS). I also want to take the opportunity to thank the gentleman from Ohio (Mr. OXLEY) for the accommodations he presented to my bill and for the great leadership he has shown in bringing this bill in such a timely manner to the floor.

Madam Speaker, H.R. 4846 will authorize the U.S. Mint to purchase silver for the American Eagle Silver Bullion program, the most popular silver coin in the world. Since its inception in 1986, the American Eagle silver dollar has generated more than $200 million in deficit reduction for this Nation.

The blanks on the American Eagle silver coins are made at the Sunshine Mint in Coeur D'Alene, Idaho, employing more than 60 of my constituents. Idaho, Madam Speaker, is the premier silver mining region of the world, having produced more than 1.1 billion ounces throughout the mining region since the 1880s and employing more than 3,000 people statewide. Silver-related industries generate more than $800 million for Idaho and its economy every year.

When the American Eagle program was established, the U.S. Mint depended upon the government's stockpile of silver; and, as has been already related, that stockpile has now been exhausted and the Mint needs to enter the market to purchase the silver it needs. Swift passage of legislation authorizing the Mint to purchase silver

will prevent a shutdown of the American Eagle production and save jobs in Idaho, Nevada, and New York.

The American Eagle coins bear the image of Liberty on the obverse and Eagle on the reverse. The strong sales of this coin around the world help spread the message of American freedom. By selling bullion coins, America provides freedom and hope for people in nations where economic freedom is now denied and where currencies are subject to the whims of the dictators.

□ 1700

American Eagle bullion now allows people to invest in themselves, save for their futures, purchase a timely commodity whose value is unquestioned and indeed, Madam Speaker, create a storehouse of wealth for themselves. Passage of this bill will allow these sales to continue. I wish to thank Senators REID and CRAPO for the passage of the Senate version of this same language, and I especially want to thank the gentleman from Oklahoma (Mr. LUCAS) and the gentleman from Ohio (Mr. OXLEY) for incorporating the language from my bill sponsored by myself, co-sponsored by the gentleman from Nevada (Mr. GIBBONS) and the gentleman from Idaho (Mr. SIMPSON) into the text of this bill. Their cooperation in this effort has been invaluable.

Mr. OXLEY. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 4846, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. OXLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 8 of rule XX, the Chair will now put the question on two of the remaining motions to suspend the rules on which further proceedings were postponed earlier today, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 4623, by the yeas and nays.

H.R. 4846, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second electronic vote in this series.

Proceedings on the six other postponed questions will resume tomorrow.

CHILD OBSCENITY AND PORNOGRAPHY PREVENTION ACT OF 2002

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4623, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 4623, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 413, nays 8, answered ''present'' 1, not voting 12, as follows:

[Roll No. 256]

YEAS—413

Abercrombie	Combest	Gonzalez
Aderholt	Condit	Goode
Akin	Cooksey	Goodlatte
Allen	Costello	Gordon
Andrews	Cox	Goss
Armey	Coyne	Graham
Baca	Cramer	Granger
Bachus	Crane	Graves
Baird	Crenshaw	Green (TX)
Baker	Crowley	Green (WI)
Baldacci	Cubin	Greenwood
Baldwin	Culberson	Grucci
Ballenger	Cummings	Gutierrez
Barcia	Cunningham	Gutknecht
Barr	Davis (CA)	Hall (OH)
Barrett	Davis (FL)	Hall (TX)
Bartlett	Davis (IL)	Hansen
Barton	Davis, Jo Ann	Harman
Bass	Davis, Tom	Hart
Becerra	Deal	Hastings (FL)
Bentsen	DeFazio	Hastings (WA)
Bereuter	DeGette	Hayes
Berkley	Delahunt	Hefley
Berry	DeLauro	Herger
Biggert	DeLay	Hill
Bilirakis	DeMint	Hilleary
Bishop	Deutsch	Hinchey
Blumenauer	Diaz-Balart	Hobson
Blunt	Dicks	Hoeffel
Boehlert	Dingell	Hoekstra
Boehner	Doggett	Holden
Bonilla	Dooley	Holt
Bonior	Doolittle	Honda
Bono	Doyle	Hooley
Boozman	Dreier	Horn
Borski	Duncan	Hostettler
Boswell	Dunn	Houghton
Boucher	Edwards	Hoyer
Boyd	Ehlers	Hulshof
Brady (PA)	Ehrlich	Hunter
Brady (TX)	Emerson	Hyde
Brown (FL)	Engel	Inslee
Brown (OH)	English	Isakson
Brown (SC)	Eshoo	Israel
Bryant	Etheridge	Issa
Burr	Evans	Istook
Burton	Everett	Jackson (IL)
Buyer	Farr	Jackson-Lee (TX)
Calvert	Fattah	Jefferson
Camp	Ferguson	John
Cannon	Filner	Johnson (CT)
Cantor	Flake	Johnson (IL)
Capito	Fletcher	Johnson, E. B.
Capps	Foley	Johnson, Sam
Capuano	Forbes	Jones (NC)
Cardin	Ford	Jones (OH)
Carson (IN)	Fossella	Kanjorski
Carson (OK)	Frelinghuysen	Kaptur
Castle	Frost	Keller
Chabot	Gallegly	Kelly
Chambliss	Ganske	Kennedy (MN)
Clay	Gekas	Kennedy (RI)
Clayton	Gephardt	Kerns
Clement	Gibbons	Kildee
Clyburn	Gilchrest	Kilpatrick
Coble	Gillmor	Kind (WI)
Collins	Gilman	King (NY)
Kingston	Norwood	Shows
Kirk	Nussle	Shuster
Kleczka	Oberstar	Simmons
Knollenberg	Obey	Simpson
Kolbe	Olver	Skeen
Kucinich	Ortiz	Skelton
LaFalce	Osborne	Slaughter
LaHood	Ose	Smith (MI)
Lampson	Otter	Smith (NJ)
Langevin	Owens	Smith (TX)
Lantos	Oxley	Smith (WA)
Larsen (WA)	Pallone	Snyder
Larson (CT)	Pascrell	Solis
Latham	Pastor	Souder
LaTourette	Payne	Spratt
Leach	Pelosi	Stark
Lee	Pence	Stearns
Levin	Peterson (MN)	Stenholm
Lewis (CA)	Peterson (PA)	Strickland
Lewis (GA)	Petri	Stump
Lewis (KY)	Phelps	Stupak
Linder	Pickering	Sullivan
Lipinski	Pitts	Sununu
LoBiondo	Platts	Sweeney
Lofgren	Pombo	Tancredo
Lowey	Pomeroy	Tanner
Lucas (KY)	Portman	Tauscher
Lucas (OK)	Price (NC)	Tauzin
Luther	Pryce (OH)	Taylor (MS)
Lynch	Putnam	Taylor (NC)
Maloney (CT)	Quinn	Terry
Maloney (NY)	Radanovich	Thomas
Manzullo	Rahall	Thompson (CA)
Markey	Ramstad	Thompson (MS)
Mascara	Rangel	Thornberry
Matheson	Regula	Thune
Matsui	Rehberg	Thurman
McCarthy (MO)	Reyes	Tiahrt
McCarthy (NY)	Reynolds	Tiberi
McCollum	Rivers	Tierney
McCrery	Rodriguez	Toomey
McDermott	Roemer	Towns
McGovern	Rogers (KY)	Turner
McHugh	Rogers (MI)	Udall (CO)
McInnis	Rohrabacher	Udall (NM)
McIntyre	Ros-Lehtinen	Upton
McKeon	Ross	Velazquez
McKinney	Rothman	Visclosky
McNulty	Roukema	Vitter
Meehan	Roybal-Allard	Walden
Meek (FL)	Royce	Walsh
Menendez	Rush	Wamp
Mica	Ryan (WI)	Waters
Millender-McDonald	Ryun (KS)	Watkins (OK)
Miller, Dan	Sabo	Watson (CA)
Miller, Gary	Sanders	Weiner
Miller, George	Sandlin	Weldon (FL)
Miller, Jeff	Sawyer	Weldon (PA)
Mink	Saxton	Weller
Mollohan	Schaffer	Wexler
Moore	Schakowsky	Whitfield
Moran (KS)	Schiff	Wicker
Moran (VA)	Schrock	Wilson (NM)
Morella	Sensenbrenner	Wilson (SC)
Murtha	Serrano	Wolf
Myrick	Sessions	Woolsey
Neal	Shadegg	Wu
Nethercutt	Shaw	Wynn
Ney	Shays	Young (AK)
Northup	Sherman	Young (FL)
	Sherwood	
	Shimkus	

NAYS—8

Berman	Nadler	Watt (NC)
Conyers	Paul	Waxman
Frank	Scott	

ANSWERED ''PRESENT''—1

Ackerman

NOT VOTING—12

Blagojevich	Hinojosa	Riley
Callahan	Jenkins	Sanchez
Hayworth	Meeks (NY)	Traficant
Hilliard	Napolitano	Watts (OK)

□ 1725

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. BIGGERT). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the remaining motion to suspend the rules on which the Chair is resuming further proceedings.

SILVER EAGLE COIN CONTINUATION ACT OF 2002

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4846, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 4846, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 417, nays 1, not voting 16, as follows:

[Roll No. 257]

YEAS—417

Abercrombie	Castle	Filner
Ackerman	Chabot	Flake
Aderholt	Chambliss	Fletcher
Akin	Clay	Foley
Allen	Clayton	Forbes
Andrews	Clement	Ford
Armey	Clyburn	Fossella
Baca	Coble	Frank
Bachus	Collins	Frelinghuysen
Baird	Combest	Frost
Baker	Condit	Gallegly
Baldacci	Conyers	Ganske
Baldwin	Cooksey	Gephardt
Ballenger	Costello	Gibbons
Barcia	Cox	Gilchrest
Barr	Coyne	Gillmor
Barrett	Cramer	Gilman
Bartlett	Crenshaw	Gonzalez
Barton	Crowley	Goode
Bass	Cubin	Goodlatte
Becerra	Culberson	Gordon
Bentsen	Cummings	Goss
Bereuter	Cunningham	Graham
Berkley	Davis (CA)	Graves
Berman	Davis (FL)	Green (TX)
Berry	Davis (IL)	Green (WI)
Biggert	Davis, Jo Ann	Greenwood
Bilirakis	Davis, Tom	Grucci
Bishop	Deal	Gutierrez
Blumenauer	DeFazio	Gutknecht
Blunt	DeGette	Hall (OH)
Boehlert	Delahunt	Hall (TX)
Boehner	DeLauro	Hansen
Bonilla	DeLay	Harman
Bonior	DeMint	Hart
Bono	Deutsch	Hastings (FL)
Boozman	Diaz-Balart	Hastings (WA)
Borski	Dicks	Hayes
Boswell	Dingell	Hefley
Boucher	Doggett	Herger
Boyd	Dooley	Hill
Brady (PA)	Doolittle	Hilleary
Brady (TX)	Doyle	Hinchey
Brown (FL)	Dreier	Hobson
Brown (OH)	Duncan	Hoeffel
Brown (SC)	Dunn	Hoekstra
Bryant	Edwards	Holden
Burr	Ehlers	Holt
Burton	Ehrlich	Honda
Buyer	Emerson	Hooley
Calvert	Engel	Horn
Camp	English	Hostettler
Cannon	Eshoo	Houghton
Cantor	Etheridge	Hoyer
Capito	Evans	Hulshof
Capps	Everett	Hunter
Capuano	Farr	Hyde
Cardin	Fattah	Inslee
Carson (IN)	Ferguson	Isakson
Israel	Miller, Gary	Scott
Issa	Miller, George	Sensenbrenner
Istook	Miller, Jeff	Serrano
Jackson (IL)	Mink	Sessions
Jackson-Lee (TX)	Mollohan	Shadegg
Jefferson	Moore	Shaw
John	Moran (KS)	Shays
Johnson (CT)	Moran (VA)	Sherman
Johnson (IL)	Morella	Sherwood
Johnson, E. B.	Murtha	Shimkus
Johnson, Sam	Myrick	Shows
Jones (NC)	Nadler	Shuster
Jones (OH)	Napolitano	Simmons
Kanjorski	Neal	Simpson
Kaptur	Nethercutt	Skeen
Keller	Ney	Skelton
Kelly	Northup	Slaughter
Kennedy (MN)	Norwood	Smith (NJ)
Kennedy (RI)	Nussle	Smith (TX)
Kerns	Oberstar	Smith (WA)
Kildee	Obey	Snyder
Kilpatrick	Olver	Solis
Kind (WI)	Ortiz	Souder
King (NY)	Osborne	Spratt
Kingston	Ose	Stark
Kirk	Otter	Stearns
Kleczka	Owens	Stenholm
Knollenberg	Oxley	Strickland
Kolbe	Pallone	Stump
Kucinich	Pascrell	Stupak
LaFalce	Pastor	Sullivan
LaHood	Paul	Sununu
Lampson	Payne	Sweeney
Langevin	Pelosi	Tancredo
Lantos	Pence	Tanner
Larsen (WA)	Peterson (MN)	Tauscher
Larson (CT)	Peterson (PA)	Tauzin
Latham	Petri	Taylor (MS)
LaTourette	Phelps	Taylor (NC)
Leach	Pickering	Terry
Lee	Pitts	Thomas
Levin	Platts	Thompson (CA)
Lewis (CA)	Pombo	Thompson (MS)
Lewis (GA)	Pomeroy	Thornberry
Lewis (KY)	Portman	Thune
Linder	Price (NC)	Thurman
Lipinski	Pryce (OH)	Tiahrt
LoBiondo	Putnam	Tiberi
Lofgren	Quinn	Tierney
Lowey	Radanovich	Toomey
Lucas (KY)	Rahall	Towns
Lucas (OK)	Ramstad	Turner
Luther	Rangel	Udall (CO)
Lynch	Regula	Udall (NM)
Maloney (CT)	Rehberg	Upton
Maloney (NY)	Reyes	Velazquez
Manzullo	Reynolds	Visclosky
Markey	Rivers	Vitter
Mascara	Rodriguez	Walden
Matheson	Roemer	Walsh
Matsui	Rogers (KY)	Wamp
McCarthy (MO)	Rogers (MI)	Waters
McCarthy (NY)	Rohrabacher	Watkins (OK)
McCollum	Ros-Lehtinen	Watson (CA)
McCrery	Ross	Watt (NC)
McDermott	Rothman	Waxman
McGovern	Roukema	Weldon (FL)
McHugh	Roybal-Allard	Weldon (PA)
McInnis	Royce	Weller
McIntyre	Rush	Wexler
McKeon	Ryan (WI)	Whitfield
McKinney	Ryun (KS)	Wicker
McNulty	Sabo	Wilson (NM)
Meehan	Sanders	Wilson (SC)
Meek (FL)	Sandlin	Wolf
Menendez	Sawyer	Woolsey
Mica	Saxton	Wu
Millender-McDonald	Schaffer	Wynn
Miller, Dan	Schakowsky	Young (AK)
	Schiff	Young (FL)
	Schrock	

NAYS—1

Granger

NOT VOTING—16

Blagojevich	Hilliard	Smith (MI)
Callahan	Hinojosa	Traficant
Carson (OK)	Jenkins	Watts (OK)
Crane	Meeks (NY)	Weiner
Gekas	Riley	
Hayworth	Sanchez	

□ 1739

Mr. FRANK and Mr. CONYERS changed their vote from ''nay'' to ''yea.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mrs. NAPOLITANO. Madam Speaker, on rollcall No. 256, had I been present, I would have voted ''yea.''

PERSONAL EXPLANATION

Ms. SANCHEZ. Madam Speaker, on Tuesday, June 25, I was unavoidably detained due to a prior obligation at the American Federation of State, Municipal, and County Employees' (AFSME) National Labor Convention.

I request that the CONGRESSIONAL RECORD reflect that had I been present and voting, I would have voted ''yes'' on rollcall No. 253, ''yes'' on rollcall No. 254, ''yes'' on rollcall No. 255, ''yes'' on rollcall No. 256, and ''yes'' on rollcall No. 257.

REPORT ON H.R. 5010, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT FOR FISCAL YEAR 2003

Mr. LEWIS of California, from the Committee on Appropriations, submitted a privileged report (Rept. No. 107–532) on the bill (H.R. 5010) making appropriations for the Department of Defense for the fiscal year ending September 30, 2003, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore (Mrs. BIGGERT). Pursuant to clause I, rule XXI, all points of order are reserved on the bill.

REPORT ON H.R. 5011, MILITARY CONSTRUCTION APPROPRIATIONS ACT FOR FISCAL YEAR 2003

Mr. HOBSON, from the Committee on Appropriations, submitted a privileged report (Rept. No. 107–533) on the bill (H.R. 5011) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2003, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. Pursuant to clause I, rule XXI, all points of order are reserved on the bill.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4777

Mr. GILMAN. Madam Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 4777.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REPORT ON BOSNIA AND U.S. FORCES IN NATO-LED STABILIZATION FORCE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–233)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations, the Committee on Armed Services, and the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by the Levin Amendment to the 1998 Supplemental Appropriations and Rescissions Act (section 7(b) of Public Law 105–174) and section 1203(a) of the Strom Thurmond National Defense Authorization Act for FY 1999 (Public Law 105–261), I am providing a report prepared by my Administration on progress made toward achieving benchmarks for a sustainable peace process in Bosnia and Herzegovina.

This sixth report, which also includes supplemental reporting as required by section 1203(a) of Public Law 105–261, provides an updated assessment of progress on the benchmarks covering the period March 2001 to December 2001.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 25, 2002.*

SECOND PROTOCOL TO THE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE KINGDOM OF THE NETHERLANDS ON SOCIAL SECURITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–234)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (Public Law 95–216, 42 U.S.C. 433(e)(1)), I transmit herewith the Second Protocol to the Agreement Between the United States of America and the Netherlands on Social Security (the ''Second Protocol''). The Second Protocol was signed at the Hague on August 30, 2001, and is intended to modify certain provisions of the original U.S.-Netherlands Agreement, signed December 9, 1987, as amended by the Protocol of December 7, 1989 (the ''U.S.-Netherlands Agreement'').

The U.S.-Netherlands Agreement as amended by the Second Protocol is similar in objective to the social security agreements that are also in force with Austria, Belgium, Canada, Chile, Finland, France, Germany, Greece, Ireland, Italy, Korea, Luxembourg, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation and to help prevent the loss of benefits that can occur when workers divide their careers between two countries. The U.S.-Netherlands Agreement as amended by the Second Protocol contains all provisions mandated by section 233 and other provisions that I deem appropriate to carry out the purposes of section 233, pursuant to section 233(c)(4).

I also transmit for the information of the Congress a report prepared by the Social Security Administration explaining the key points of the Second Protocol with a paragraph-by-paragraph explanation of the provisions of the Second Protocol (Annex A). Also annexed to this report is the report required by section 233(e)(1) of the Social Security Act, a report on the effect of the Second Protocol on income and expenditures of the U.S. Social Security program and the number of individuals affected by the Second Protocol (Annex B), and a composite text of the U.S.-Netherlands Agreement showing the changes that will be made as a result of the Second Protocol. The Department of State and the Social Security Administration have recommended the Second Protocol and related documents to me.

I commend the Second Protocol to the United States-Netherlands Social Security Agreement and related documents.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 25, 2002.*

PERIODIC REPORT ON THE NATIONAL EMERGENCY CAUSED BY THE LAPSE OF THE EXPORT ADMINISTRATION ACT OF 1979 FOR AUGUST 19, 2001 TO FEBRUARY 19, 2002—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–235)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 204(c) of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month report prepared by my Administration, on the national emergency declared by Executive Order 13222 of August 17, 2001, to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 25, 2002.*

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO THE 1979 IRANIAN EMERGENCY AND ASSETS BLOCKING—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–236)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report prepared by my Administration on the national emergency with respect to Iran that was declared in Executive Order 12170 of November 14, 1979.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 25, 2002.*

□ 1745

SPECIAL ORDERS

The SPEAKER pro tempore (Mrs. BIGGERT). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE THREAT OF CHILD ABDUCTION

The SPEAKER pro tempore (Mr. KERNS). Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, today I rise to remind us that, as America is focused on fighting terrorism and providing for homeland security, we have recent headlines that tell the story of another threat, one that causes parents to question the security of their homes and contemplate the safety of their children. That threat is child abduction.

The story is too common. In Kansas, it happened last September, when 4-year-old Jaquilla Scales disappeared from her home. More recently, in Utah, it is 14-year-old Elizabeth Smart who was taken from her bedroom while her sister slept nearby. Both girls are still missing.

This tragedy can strike any family, any community. It is estimated that one in 42 children will become a missing child. Each year, between 200 and 300 children are abducted by strangers, and approximately 115,000 more children are victims of attempted abduction.

These statistics remind us of the magnitude of the problem, but also indicate that the majority of attempted abductions will fail. In many cases, an abduction is prevented by a teacher, a law enforcement officer, or a watchful neighbor. A concerned and engaged community is our best resource in the war against child abduction.

When a child is abducted by a stranger, time is of the essence. Research shows that 74 percent of children abducted and later murdered are killed within the first 3 hours following the abduction. If alerted quickly, a community can help save the life of an endangered child by providing timely and useful information.

Tonight I speak in support of two programs that help strengthen the partnership between local law enforcement and the public to aid in the search for missing children. The AMBER Plan, America's Missing: Broadcast Emergency Response, was created 5 years ago in honor of Amber Hagerman, who was abducted and murdered in Arlington, Texas.

The AMBER Plan relies on voluntary participation of law enforcement agencies and radio and television broadcasters to activate an urgent alert following an abduction. Broadcasters use the emergency alert system to interrupt radio and television programming to provide information concerning the missing child and the possible suspect. This plan is now in place in several communities in my home State of Kansas and other locations across our country. To date, the plan has been credited with saving the lives of 16 children. This life-saving program can and should be expanded across the Nation.

Like the AMBER Plan, the Lost Child Alert Technology Resource, or LOCATER program, works to rapidly circulate information concerning a missing child. This program provides local law enforcement agencies with a computer and the equipment necessary to scan photographs of missing children for distribution to fellow law enforcement agencies and to the public. The equipment provided as part of the LOCATER program is free of charge through the National Center For Missing and Exploited Children.

Few things are more frightening than the abduction of a child. As we work to secure our Nation from terrorists, we must also remember the safety of our children. Kansans, like most Americans, take pride in being good neighbors, people willing to lend a helping hand in time of crisis. This is what makes our community strong, and this is what can make the AMBER Plan and the LOCATER program successful in providing a more secure America for our children.

WOMEN AND SOCIAL SECURITY PRIVATIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Mrs. THURMAN) is recognized for 5 minutes.

Mrs. THURMAN. Mr. Speaker, as part of my continuing series on Social Security and women, I would like to focus this evening's comments on the financial risks that I believe are posed by privatizing the Social Security program.

Social Security privatization would expose individual workers and their families to financial risks which they do not face under the current system. Under privatization, Social Security benefits would no longer be determined primarily by a worker's earnings and the payroll tax contributions she made over her career. Rather, benefit levels would be determined by the vagaries of the stock market, by a worker's skill, or just plain luck in making investments, and by the timing of his or her decision to retire.

Social Security today provides a guaranteed lifelong benefit. No matter what the stock market does the day one retires or in the months leading up to retirement, our benefit will be unaffected. Advocates of individual accounts argue that, since fluctuations in the stock market average out over time, individual investment risk is negligible. Averages are misleading. For every person whose investments perform above average, there is another person counting on Social Security whose investments perform below average. Retirees are not just averages; retirees are individual people.

Between March, 2000, and April, 2001, the S&P 500 fell by 424 points, or 28 percent. If Social Security had been privatized, a worker who had his or her individual account invested in a fund that mirrored the S&P 500 and who retired in April of 2001 would have 28 percent less to live on for the rest of his or her life.

There were 15 years in the past century, 1908 to 1912, 1937, 1939, 1965 through 1966, 1968 through 1973, in which the real value of the stock market fell by more than 40 percent over the preceding decade. That is from the CBO, the Congressional Budget Office.

Social Security protects against many risks, including the risk of death or disability, the risk of low lifetime earnings, the risk of unexpectedly long life, and the risk of inflation. Privatization undermines these protections and adds one more risk that workers would have to worry about: individual financial risk.

Because of a number of factors, women are more likely than men to be negatively impacted and affected by these financial risks. Women tend to outlive their husbands by an average of 7 years. Reductions in Social Security payments due to lack of funds would leave stranded many women without their husband's Social Security income. And because they live longer than men, women are at a greater risk of running out of money in their private account.

Women take time out of their work life to care for children and elderly parents. Under a system of private accounts, they would pay less into their accounts and have less to draw down on when they retire.

Mr. Speaker, privatizing the Social Security program in my estimation poses unneeded financial risks, both on the seniors that have paid into Social Security with their hard work, and those young people just entering the workforce. And women would face the greatest risk of all under a privatized Social Security system.

ISSUANCE OF VISAS IS NOW A NATIONAL SECURITY FUNCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. WELDON) is recognized for 5 minutes.

Mr. WELDON of Florida. Mr. Speaker, tomorrow the Subcommittee on Civil Service, Census and Agency Organization will begin examination of one of the most vital components of the President's homeland security proposal. Our homeland security starts abroad, and nothing is more important than who gets issued a visa.

The issuance of visas can no longer be thought of as a mere diplomatic function. It is now a national security issue, and must be our first line of defense. While the President recognizes the importance of visa issuance and the obvious problems, the current proposed legislation does not go far enough. The entire visa program should be part of the proposed Homeland Security Department.

The State Department views the issuance of visas as a diplomatic tool. The day is past when it should be viewed this way. It is now clearly a national security function. The fragmented approach, where the Secretary of Homeland Security issues regulations regarding visas, but actual operational control remains under the State Department, is not acceptable.

Just as we work hard to prevent biological, chemical, or other weapons of mass destruction from making their way to our shores, so we must keep terrorists, deadly weapons in and of themselves, keep them from coming into our homeland. A strong visa issuance program is essential to achieve that objective.

We are all too aware of the fact that 15 of the 19 September 11 terrorists had obtained ''appropriate'' visas. This is unacceptable. No longer can the issuing of visas be a diplomatic function; it must be a security function, with proper scrutiny only a trained agent can apply. Diplomats are trained to be diplomats. Visa issuance should not be about speed and service with a smile.

Recent news reports have brought to light a program in Saudi Arabia called ''visa express.'' It allows private Saudi travel agents to process visa paperwork on behalf of Saudi residents. Three of the September 11 terrorists obtained

their visas this way, never being interviewed by anyone in the consular office.

When the program began, it was advertised as helping qualified applicants obtain U.S. visas quickly and easily. Applicants will no longer have to take time off from work, they said, no longer have to wait in long lines or under the hot sun in crowded waiting rooms. I am quoting from State Department documents.

Here are some of the September 11 terrorists who came into this country under the visa express program. Salem Al-Hamzi, age 20, arrived in the United States with a tourist visa obtained through visa express.

Here is another one: Khalid Al-Midhar, a 25-year-old gentleman. He was one of the people on Flight 77 that crashed into the Pentagon.

Here is another one: Abdulaziz Al-Omari, 28, arrived in the U.S. on a tourist visa in June of 2001, a pilot of the American Airlines Flight 111 that crashed into the North Tower of the World Trade Centers.

Now, under this program, the Saudi citizens just go to a Saudi travel agent, and they fill out a two-page form. They paid a fee and went home and waited for their visas to arrive in the mail. There was no interview with any American official. One senior consular affairs official describes the program as an open-door policy for terrorists to come into the United States.

Mr. Speaker, it seems to me that we have our priorities out of order here. This is not customer service; it is national security. Visa issuance must be in the homeland security system from top to bottom. This is the only way the Secretary of Homeland Security will be able to completely and thoroughly protect our borders, by preventing terrorists from ever making it into our homeland.

We must change the culture of the way we issue visas. It is no longer sufficient for this process to be an entry-level position for a person at a college. It is simply too vital to our national security.

Mr. Speaker, security begins abroad. I feel the burden is on the administration to prove to us why the Bureau of Consular Affairs is fragmented and a pseudo part of homeland security. Thus far, they have not convinced me of the need for this fragmentation in this area. I support putting all of consular affairs in homeland security.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

(Ms. MILLENDER-MCDONALD addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

□ 1800

DRUG INDUSTRY NEEDS TO CLEAN UP ITS ACT

The SPEAKER pro tempore (Mr. KERNS). Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, earlier today I heard a Republican member of the Committee on Ways and Means absolutely distort the truth about the Democrats' prescription drug plan, saying that it requires that seniors go into the Democrats' plan whether or not they choose to, whether or not they already have drug coverage. There is no place in this debate for those kinds of fabrications and those kind of lies, and I just want to set the record straight.

Mr. Chairman, the prescription drug industry needs to clean up its act. You know it. I know it. American consumers know it.

The brand name drug industry has no qualms about charging American consumers the highest prices in the world for prescription drugs, even though American tax dollars and American contributions to private foundations fund nearly half their research, even though the prescription drug industry in this country is the most profitable industry in America, even though the prescription drug industry gets tax breaks so huge they have only half the tax liability of any other industry in this country, and even though more than 50 million Americans have no drug coverage, some of whom must choose between food and their medicine.

Prescription drugs are not a luxury item. It is not okay that the drug industry overcharges U.S. consumers for products our own tax dollars helped to produce. The drug industry has tremendous influence over this Congress and especially this White House. Unfortunately, the situation may have to get worse before the Federal Government finally takes a stand against the outrageous pricing schemes of the drug industry. Until that happens, market competition is the only tool we have to bring down prices.

When generics enter the market, the price typically drops as much as 90 percent. Market competition expands access to Americans who cannot afford the monopoly prices that are charged by the brand name companies. It spurs drug companies to earn their profits by developing new drugs, rather than by overcharging for existing products. It is much easier, obviously, to overcharge for existing products than to develop new ones. The brand name drug industry has taken to exploiting loopholes in the FDA drug approval process to block generic competition. So not only do drug companies charge Americans the highest price in the world while those drugs are under patent, these companies then try to charge Americans ridiculous prices after their patents expire by blocking generics from entering the market.

You would think Congress would at least be interested in keeping drug companies from gaming the patent system as a means of cheating American consumers.

Governors from both parties, major businesses like GM and Marriott and Verizon and unions and consumer groups and health insurers have demanded that Congress close these legal loopholes. Closing these loopholes would save American consumers literally hundreds of billions of dollars in the next 10 years. Yet, last week, Republican leadership blocked action on an amendment that would end drug industry abuses. This amendment simply would have prevented drug companies from artificially extending their patents, the drugs' protected patents and stop them from gaming the FDA patent system.

Last week, Republican leadership blocked consideration of this amendment. They would not, in fact, even let the Committee on Energy and Commerce consider the amendment. It may not have been a coincidence that the same week that our committee was marking up the prescription drug bill, that same week that committee adjourned early one afternoon to go to a Republican fund raiser which was underwritten by the prescription drug industry. The chair of that Republican fund-raiser which netted $30 million was the CEO of a British drug company, GlaxoWellcome, donated $250,000 to the Republican cause. The CEO was joined by CEOs of other drug companies which contributed $50,000, $100,000, $200,000, $250,000 to this Republican fund-raiser.

It should also come as no surprise that the next day after the fund-raiser Republicans returned to the committee and, in regular party line votes, voted against any kind of real reform, any kind of pro-senior prescription drug plan.

The Democratic prescription drug plan written by and for seniors will bring drug costs down. That is what seniors want. The Republican prescription drug plan written by and for the prescription drug industry does nothing to bring prices down. That is what prescription drug companies want.

I ask my colleagues to support the Democratic plan when it comes in front of the House and reject the drug-company-sponsored Republican plan.

MEDICARE PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. CAPPS) is recognized for 5 minutes.

Mrs. CAPPS. Mr. Speaker, in 1965 we established Medicare because the private insurance industry demonstrated that it could not provide affordable access to health care for seniors, at least not at rates that seniors could afford. Now, 37 years later, this Congress will be considering important changes to

improve this most successful government program.

Everyone seems to recognize that we must add prescription drug coverage to the program.

Older Americans fill more than one-third of all the prescriptions that doctors write and will spend $1.8 trillion over the next decade on these critical medications, much of it from their own pockets. Our parents, our grandparents, the seniors living in our neighborhood need and deserve our help. But I am afraid that some have lost track of the important lessons of 1965, that markets forces are inadequate to this task.

Now I recognize the power of the market. Since arriving in Congress I have voted for tax cuts and supported free trade and generally taken a pro-business stance. But here, when we are trying to provide health care for our senior citizens and those with disabilities, we have seen the markets fall short.

The most recent example is the Medicare+Choice program, created to harness the efficiencies of the marketplace. The hope, indeed, the promise from the program's supporters, was that HMOs would offer seniors quality or better care for less money than it took Medicare.

At first, it seemed to work. We have paid the HMO slightly less than it cost to cover a senior through a fee-for-service program; and seniors enrolled in the program in droves because it had low co-payments and at least a few more benefits.

But then the HMO's said they needed more money, a lot of it. So we gave them more money; and then they started pulling out of a lot of areas, like my district. And where they did not pull out, they cut back on benefits a lot. They raised premiums, they raised co-pays, and they still asked for more money from Congress.

In truth, this program has not been an overwhelming success, to say the least. I am willing to continue to try to fix it, but we should be aware of its problems and shortfalls, and we should not base the rest of Medicare on it, particularly a prescription drug benefit.

Last week, the Committee on Energy and Commerce and the Committee on Ways and Means considered legislation that would do just that and provide a prescription drug benefit through a program similar to Medicare+Choice. Many of my colleagues and I offered amendments to provide a prescription drug benefit through traditional Medicare to these proposals, but the majority defeated each and every attempt to improve this bill. Instead, they have sent legislation to the House floor that would privatize Medicare, impose unfair cost sharing on seniors and not even offer medication coverage that most seniors could count on.

Even the insurance companies, the people who are supposed to administer and offer these plans, these companies are unenthusiastic about the leadership's proposal.

One of HIAA's past presidents, former Representative Bill Gradison, is quoted as being ''very skeptical'' of this proposal working.

Even if the insurance companies do offer the plans and do provide the benefits the majority describes, it still will not help the seniors who most need it. In fact, their proposal pays less the more seniors needs medication. It offers no help to seniors with drug costs between $2,000 and $3,700 or $4,700 per year. This means that sicker seniors with most health problems, those who most need medications, will not be able to afford them again.

Now, 37 years ago America made a promise to our seniors. We told them they would have health care when they needed it most. We need to follow through on that promise. We need to give our seniors affordable prescription drug coverage.

When this legislation comes to the floor, my colleagues and I will try once again to give seniors a prescription drug benefit they can depend upon. We will offer seniors a reliable, voluntary benefit within the Medicare structure, comparable to the coverage a senior receives for other Medicare services. In fact, unlike the bill that will come before Congress, our plan makes sure seniors get access to the same level of prescription drug coverage that a Member of Congress or another Federal employee receives. This is only fair.

This plan offers seniors real help. It covers 80 percent of the cost of their medication. It will prevent seniors from spending more than $2,000 a year on their medication. It will not rely on the goodwill or poor business sense of insurance companies; and it will guarantee coverage in all areas, urban, suburban and rural. A senior in California would be able to count on the same benefit that a senior in Kansas or a senior in New York City has and vice versa.

Mr. Speaker, I urge my colleagues to oppose the majority's bill that will give our seniors false hopes that will be dashed on the rocks of reality and to support the alternative for a voluntary, affordable bill that will be offered by the Democratic side.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) is recognized for 5 minutes.

(Ms. EDDIE BERNICE JOHNSON of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

GIVE SENIORS AFFORDABLE PRESCRIPTION DRUGS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, get the senior tour buses gassed up to travel to Canada, because under the Republican prescription drug plan seniors will not find any relief from the high costs of prescription drugs. In fact, Americans pay three to four times more for their medications than any other people in the world; and the prices of the 50 most commonly prescribed drugs for seniors increased last year nearly three times the rates of inflation.

Yet the Republican bill does not do one thing to reduce the root cause of our Nation's crisis in access to affordable life-saving medications and that is their costs.

Under the Republican plan, seniors would be forced to purchase drugs through private drug policies, another slippery slope to the dangerous path to privatization.

And as if attempting to privatize Medicare were not enough, the Republican bill covers less than a quarter of Medicare beneficiaries' estimated drug costs over the next 10 years.

Frankly, the Republican bill preserves the inflated prices of one of their biggest set of contributors. It is no wonder the pharmaceutical companies showed up in droves last week at the Republican party's $30 million fund raising bash here in Washington.

In fact, Bob Novak from CNN gave us insight into that fund-raiser. He said, ''This is one of the great fund-raisers of all time, because people going to see these things for 20 years had never found them so crowded. It was chair to chair, back to back.'' And they had to pay $100,000 to get into the photo session with the President. If you wanted to sit on the platform with the President, that cost a little more. You had to pay $250,000 in order to do that.

I guess they will try to get the government they are paying for unless the American people pay attention.

Now with all the high rhetoric surrounding the Republican plan one might think it provides a real benefit, but take a closer look. Under the Republican plan you may, and I stress may, be able to choose from a private program that will cost you $35 a

month. Yes, their bill does not cap the drug premium. In fact, insurers would set the premium cost, and it would vary from plan to plan, place to place.

But let us ignore that flaw for a moment and assume it might be about $35 a month. So that is $420 a year for that premium. For the first $250 you spend on prescription medication, this new plan will pay you exactly nothing. That is right. If you need no more than $250 worth of medication, this plan will cost you $670 a year, the $35 monthly premium plus the $250 deductible.

Now if you are one of every three Medicare beneficiaries who spend less than $500 on medication every year, you are in for a treat. What would have cost you $500 will cost you $720 under the Republican plan. Yes, you would actually pay almost 50 percent more under their plan than you would pay without it.

□ 1815

Maybe a person spends closer to $1,000 a year, as half of the Medicare population does. If so, they do fare a bit better. If their medications will cost $1,000, they will spend $420 on the program, $250 for the first batch of drugs and then 20 percent of the next $750 they owe, or $150. That adds up to $820. They will have saved $160.

But if someone is among the 30 percent of Medicare recipients that spends more than $2,000 a year for drugs, I am afraid we have some bad news for them. Under the Republican plan, they are on their own for every dollar between $2,000 and $3,800. This plan will not pay them a cent.

Their plan is simply a sad attempt to gain political cover by sounding like they are working for and care about seniors while simultaneously draining Social Security and Medicare trust funds to pay for huge breaks for the superrich contributors.

So ignore the Republican rhetoric. We should provide seniors with a real and meaningful prescription drug benefit. We should encourage aggregate buying by groups of seniors, not sending each senior out there with some kind of expensive privatized plan in the rough waters of the marketplace in their very, very small canoes.

The first step to make Medicare and prescription medication available to our seniors at more affordable prices and to make them more available is to vote ''no'' on the risky Republican Medicare drug plan they intend to bring up this week.

The SPEAKER pro tempore (Mr. KERNS). Under a previous order of the House, the gentlewoman from California (Mrs. NAPOLITANO) is recognized for 5 minutes.

(Mrs. NAPOLITANO addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

(Ms. CARSON of Indiana addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

ENSURING CONTINUITY OF LEGISLATIVE OPERATIONS DURING AN EMERGENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. LANGEVIN) is recognized for 5 minutes.

Mr. LANGEVIN. Mr. Speaker, today I rise to announce introduction of H.R. 5007, a bill to authorize the National Academy of Sciences and the Librarian of Congress to conduct a study on the feasibility and costs of implementing an emergency electronic communications system for Congress to ensure the continuity of legislative operations during an emergency.

Let me first express my most sincere gratitude to a man who illustrates the power of responsible, effective leadership, a man who made today possible and whom I am so proud to call my close friend, the gentleman from Ohio (Mr. NEY). The Chairman has devoted an immense amount of time to this issue of congressional continuity. He has led this House through one of the most difficult times in our history and has done so with great dignity. I honestly cannot thank him enough for his dedication and hard work in joining me in introducing H.R. 5007.

I also want to thank the gentleman from Maryland (Mr. HOYER), the ranking member of the Committee on House Administration. He has provided the same kind of leadership, wisdom, and guidance in moving this issue through the legislative process. He has worked closely with me ever since I introduced legislation to investigate alternatives in conducting congressional business in the United States Capitol and surrounding areas if there was a future attack or disaster. I would like to thank him for his support and commitment throughout this process.

Mr. Speaker, many of my colleagues know that for months now I have promoted the establishment of an electronic communications system for an emergency situation. When I introduced the Ensuring Congressional Security and Continuity Act last year, I wanted to spur some meaningful dialogue among Members on what we need to do to prepare for what was once an unthinkable but now, according to our own Vice President, is inevitable. I am pleased to report that the dialogue has indeed begun.

On February 28, the House Committee on the Judiciary, Subcommittee on the Constitution began this dialogue with a hearing on how to replace Members if a significant number were killed or incapacitated in an attack. My good friend, the gentleman from Washington (Mr. BAIRD), has introduced some insightful legislation to address this very issue.

On May 1, I was proud to see the Committee on House Administration hold a hearing on my proposal and the various issues surrounding the use of technology to conduct congressional operations in an emergency situation.

On May 16, the gentleman from California (Mr. COX) and the gentleman from Texas (Mr. FROST) brought together chairmen, ranking members, and other leaders in this area to discuss congressional continuity issues. Since then, the Cox-Frost team has continued to study this issue in a bipartisan and thorough fashion.

September 11 and the subsequent anthrax attacks on our congressional offices exposed just how vulnerable we are, particularly because we are centrally located. While none of us wants to think about or face our mortality, especially at the hands of terrorists, we have to recognize that it could happen. It is our duty as Members of Congress to ensure this country remains safe and we leave the American public with a system that ensures our freedom and democracy will prevail over any catastrophe.

Mr. Speaker, today we can do just that by passing H.R. 5007. I urge the leadership to bring this bill to the floor as expediently as possible. I would also like to thank the gentleman from Ohio (Mr. NEY), the chairman; the gentleman from Maryland (Mr. HOYER), the ranking member; and their staffs for working with me to meet this objective.

MEDICARE PRESCRIPTION DRUG BENEFIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, the House is confronted with a major decision this week, and that is, whether or not to provide a prescription drug benefit for our senior population, and if we are to provide a benefit, what that benefit will look like.

In my district in southern and southeastern Ohio, I am continuously confronted by seniors who tell me of their difficulty in being able to get the medicines they need at an affordable cost, and so it is incumbent upon this House to take the action necessary to prevent our seniors from choosing between buying food and buying medicine or paying other essential bills. Nearly every Member of this House during the last election process made a commitment to their constituents that they would pass a meaningful, affordable prescription drug benefit; and if we do not do it, then shame on us.

The issues, though, that confront us are not only whether or not to provide the benefit but what kind of benefit. Sadly, the majority party in this House is proposing a benefit that, in my judgment, is worse than no benefit at all. It would be the first step toward the privatization of the Medicare system. It

would rely on the private insurance market to provide the benefit; and coming from a rural area, my fear is that there would be no company that would be willing to provide a drug-only policy for the constituents that I am charged to represent.

In my district, we used to have some Medicare+Choice programs, some HMO Medicare programs. We do not have them anymore because they did not make as much money as they wanted to make; and so they withdrew, leaving literally thousands of my constituents without that coverage. I think the same thing would likely happen with this proposed prescription drug benefit.

What seniors need and want is a benefit that is a part of the Medicare benefit package. They want a program that is as predictable and as reliable as is traditional Medicare; and they want a program that provides them with the benefit that is affordable, that has a defined package of benefits, which they know about and can depend upon; and they want a prescription drug benefit that gives them choice. And that is what the Democratic proposal will do.

There are differences between the Democrat and Republican proposals, and I would like to mention just a few of them. Our proposal would have a $25-per-month premium. The Republican proposal would have a $35-per-month premium, with no guarantee that that premium would not escalate, $65 or $85 or even more. So there is no predictability to the Republican premium as to affordability.

The program that I and my colleagues on this side of the aisle support has a $100 deductible. The Republican proposal has a $250 deductible. My side, the Democratic side, has a copayment of 20 percent, meaning that Medicare would pay 80 percent, and that is the same as the Republican side. However, on our side, we have a 20/80 copay for all of the drugs that a senior may need; and on the Republican side, there is an 80 percent copay for the first $1,000 in medication. Only 50 percent would be paid by Medicare for the second $1,000; and then there would be a huge gap and until a senior paid over $3,700 out of their own pocket would the catastrophic plan kick in and then all the drugs would be paid for.

What is especially problematic is the fact that a charitable group or a friend, a church, would not be able to voluntarily contribute to that senior's medication costs to enable them to reach the catastrophic coverage; and in my district, many times local churches will recognize seniors who are having a difficult time getting the medicines they need and will voluntarily take up a collection or in other ways provide needed assistance.

So I hope the American people are watching because this is the defining issue of this session of the House of Representatives, and I hope they pay attention because there are vast differences between the two bills that will be considered on the floor this week.

PROTECTING OUR NATIONAL PARKS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 60 minutes as the designee of the majority leader.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the opportunity to spend a few minutes this evening with some of my colleagues discussing the situation that we face as Americans across the country prepare to enjoy the July 4 holiday. For many people, it is an opportunity not just to reflect on the Declaration of Independence, the patriotic history of our country, but it is also an opportunity for families to come together to use this opportunity to join for family recreation, to vacation; and it sort of marks the first serious week of heavy utilization of our outstanding national park system.

These are an area that have proven to touch the hearts of many Americans. It dates back to the tenure of President Teddy Roosevelt, who was such an outstanding leader in terms of the park system and conservation; but sadly, Mr. Speaker, today more and more Americans as they turn to the park system are going to be looking at a state of our national parks and public lands that, frankly, is going to disappoint them. They are going to be assaulted in areas where there should not be allowed motorized vehicles.

There are problems of poor air quality that plague these jewels of our national park system. Air quality is a problem in the Grand Canyon, in Yosemite, in Yellowstone.

We have serious problems in terms of what has happened with the extraction of our country's mineral resources, where sadly our policies of today have not kept pace with the demands that have been placed upon them and what we now know about protection of the environment. Sadly, the Mining Act of 1872 continues on the books exactly, exactly as it was signed into law by President Ulysses S. Grant 130 years ago.

During his Presidential campaign, George W. Bush spoke of protecting national parks as an ongoing responsibility and a shared commitment of the American people and their government.

□ 1830

Mr. Speaker, I was one of the Americans who was cheered by these words by then Governor Bush because, frankly, although I disagreed with him about a number of his environmental policies and his stewardship in the State of Texas and while I was frankly dismayed as I saw the stewardship that occurred with the State park system in Texas, I was heartened by his words that were optimistic as far as what may occur with our national treasures.

However, Mr. Speaker, I am sad to say that since President Bush has assumed office I do not think any objective observer would suggest that he has followed in the footsteps of Teddy Roosevelt, who President Bush called America's first environmental President.

My colleagues and I are here today to talk about the various threats to the serenity and wildlife of our national parks and to look at the unfortunate record that has been developed by the administration, although it is not too late to reverse course, and on behalf of the American public, we hope that they will.

The administration, as we speak, is moving to undo a national park service plan to phase out snowmobiles in Yellowstone in the Grand Teton National Parks, despite strong scientific evidence and overwhelming public support for a ban. This week, the gentleman from New Jersey (Mr. HOLT) and the gentleman from Connecticut (Mr. SHAYS) will be introducing legislation to require as a matter of law the ban that was put in place by the Clinton Administration. I am proud that there are over 100 of us already in Congress who will be original co-sponsors of that legislation.

The administration has yet to argue forcefully and provide in its budgets new money to address the maintenance backlog in the national parks system. We have seen the administration propose a rollback of the Clean Air Act provisions which will actually increase air pollution in national parks from nearby power plants; and the President has claimed that he does not want to create any new parks, although he did sign a bill, in fairness, in February to create the Ronald Reagan Boyhood Home National Historic Site.

Meanwhile, there are bills for a number of important park sites that are not moving forward; and in the 2003 budget, the President has in his proposal eliminated funding for the Urban Parks and Recreation Recovery Program, an unfortunate development which I am hopeful Congress will be able to step up and countermand.

I am pleased to be joined this evening by the gentlewoman from California (Ms. SOLIS), and I yield to the gentlewoman if she has some observations that she wishes to offer up at this point.

Ms. SOLIS. Mr. Speaker, I really appreciate this opportunity to have this special hour dedicated to our parks. Because as we go into our holiday season preparing for the 4th of July, there is going to be over 60 million people that will visit our Nation's national parks; and national parks create a place for families to recreate, to enjoy each other, to enjoy natural resources and learn about the world around us. All of our parks to me are national treasures and I know to many people.

Some of our most used parks are ones that I represent in my own district in the San Gabriel Valley in East Los Angeles out in California, and it is surprising, but the studies that I have seen regarding park space is despicable when it comes to low-income communities and where individuals do not

have the opportunity to have open space. In fact, according to a study by the University of California Sustainable Cities Program, three to four acres of open space or green space are needed per 1,000 people to be considered a healthy environment. But in my own district in Los Angeles, there is less than a half acre per 1,000 people. Imagine that. Packed in like sardines.

Communities like mine are in need of park opportunities, and they are waiting for this release now. In the 2003 budget, the President has eliminated funding for the Urban Parks and Recreation Recovery Program, a program that provides $29 million annually to urban communities to preserve park land and develop recreational opportunities in their communities. Oddly enough, this administration recently touted the urban park grants for 2002 as one of their accomplishments, despite their intention to defund it.

The President claims that it is time to tighten our financial belts and merely maintain parks that we have now. The administration says they do not want to add any new parks, but, in fact, as my colleague, the gentleman from Oregon (Mr. BLUMENAUER), said, back in February President Bush signed a bill creating the Ronald Reagan Boyhood Home National Historic Site. Meanwhile, other bills are lingering in committee waiting to be heard.

I happen to have a bill that is waiting to be heard. It is H.R. 2966; and it would create a study to find out if we could create a national park for Cesar Chavez, a leading figure in the Latino community who fought on behalf of farm workers, fought against the use of pesticides for farm workers, and looking for equal justice for all people, for all workers. Would it not be wonderful to have the first national park to recognize a Latino leader in the United States?

I ask that question because it is time. Our communities are diverse, and it turns out that recent polling that I have seen indicates that the Latino community or Hispanic community is indeed in favor of open space and open parks and more space so that they can have the ability to recreate. And what is happening? We are going in the opposite direction. We are not doing enough to diversify and even allow for urban parks to be established.

I have another bill that will be heard shortly in the Committee on Resources to establish, hopefully, a study for one of the largest urban parks in California. Currently, a state conservancy exists in our community known as the River Mountain Conservancy where over 7 million people live alongside this river that covers over 31 miles.

I would hope that the administration and our colleagues on the other side will work with us in a bipartisan manner so that more funding will go into parks and recreation. Our communities need it, urban America needs it, and the diversity of our country desires that.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentlewoman's strong voice for a balanced approach to parks and recreation and making sure that it meets the needs of all our citizens.

I think the gentlewoman touched on an important point, because we have so many people who have limited opportunities for travel. There are people for whom, even if they have opportunities to travel, the day-to-day existence needs to be softened by opportunities for urban park and recreation programs.

I look forward to working with the gentlewoman on her legislation and appreciate her strong voice for making sure Congress has a broad view of that responsibility.

Mr. Speaker, we have also been joined this evening by the gentleman from the State of Washington (Mr. INSLEE), who, among other things, is the ranking member of the Subcommittee on Forests and Forest Health of the Committee on Resources, a person who has been a strong champion in the Pacific Northwest for issues that relate to livability.

I have had the opportunity of watching him in action in the Arctic wilderness a year ago, surveying and listening to his observations about the issues that would deal with drilling in the Arctic Wildlife Refuge, and I appreciate his strong environmental voice of leadership not just in the Pacific Northwest but around the country. So I am happy to yield to the gentleman to join in this discussion this evening.

Mr. INSLEE. Mr. Speaker, I thank the gentleman so much. I am glad the gentleman has brought us together to talk about these issues.

I want to add two messages to talk about our incredible public lands that we have in this country that we ought to think about. The first is the area in our Forest Service lands, which is such a treasure. People all around the world come to see our forest areas, but they run a risk now because the Bush administration has threatened to essentially reduce the protections for our Forest Service lands and our pristine unroaded, uncut forests.

I wanted to alert people to the potential of protecting these pristine forests and ask my colleagues to join us as cosponsors in the Roadless Area Conservation Act, which the gentleman from New York (Mr. BOEHLERT), a Republican, and myself are prime sponsors of. We now have 175 cosponsors. The reason this act is so important is that it would codify the existing area, roadless area rule, a rule that was adopted with the positive comments of over 1.2 million Americans who basically asked the Federal Government to protect the parts of the United States forest areas that have not been subject to having roads built on them yet. We think this is a very common-sense approach, because Americans value their pristine unroaded areas in our U.S. Forest Service lands.

What this bill would do is essentially just put into law the rule that was previously adopted under the previous administration that would protect the areas in our Forest Service that have been designated as unroaded areas.

The reason this is so important, and a lot of people think just from an environmental perspective, of protecting our unroaded areas from an environmental perspective, but it is important for a fiscal reason as well. That is because we already have 350,000 miles of roads that Uncle Sam has built in our Forest Service areas. Those roads, many of them, are now falling apart. They are literally washing out into streambeds and contaminating the gravels and ruining the fish habitat in our streams.

In fact, we have an $8 billion backlog, an $8 billion backlog of maintenance needs on our existing 350,000 miles of roads in our Forest Service lands. So we think it makes a lot of sense to use maintenance money in the Forest Service to maintain what we have of these roads, because we have this epidemic of roads that are washing out. So we think we should protect what we have before we go punch new roads into unroaded areas.

From an environmental perspective, Americans have spoken. When this rule was under consideration in the previous administration, we had the largest outpouring of citizen input of any rule under any agency in American history. In over 600 public meetings, 1.2 million Americans gave their input that said they want a strong roadless area rule. They want to protect the roads we already have and not build additional ones in our roaded areas. If my colleagues can show a bigger outpouring of public support for anything, I have not seen it in this country.

The difficulty now is that the administration, even though the Attorney General of the United States during his confirmation was asked by the U.S. Senate whether he would preserve and protect and defend this rule and he said he would do so, unfortunately, he has not done so. And in litigation in an Idaho court, the best thing we could charitably say is that the U.S. Attorney took a dive and did not defend this rule and let the court run over the rule.

The administration has now made threats to try to impinge on the rule, to cut it down in various ways and has refused to honor the rule.

So we need to act in the U.S. House. We need to pass a law, we need to codify this, and we hope that more colleagues will join us. We hope the majority party allows a vote on this bill, because we think the majority of the House will support this bill. A very important issue.

Second issue, if I can, and this is a big issue, one for, I suppose, several hours discussion, but I think it is important to talk about. When we think about our national parks and our national forest lands, they are under the threat of an invisible foe right now. There is an invisible threat to our national parks, and that is the threat of global warming.

Our park system today runs the risk of very significant changes as a result of unchecked global warming. We can already see changes in our national

parks today of this phenomena which is occurring. As we know, 8 of the last 10 years we have had the hottest years in the last thousand years, and as a result of this trend we are already seeing changes in our national forests and our national parks.

In Glacier National Park, glaciers are melting dramatically. Scores of glaciers are on the cusp of disappearing. If this trend continues, which it will unless we change some of our national policies, someday it will be the park formerly known as Glacier. Maybe we will name it after presidents who did nothing about global warming. It is one way to get a national park named after you, I suppose, but that would not be the direction we want to go.

In Denali National Park, I was there last summer while looking at the Arctic Refuge, I talked to forest rangers who has been working there for about 20 years and who had seen the tree line move north several miles just during their very brief tenure. What is happening is that the types of trees that we have, the vegetation, is essentially moving because the atmosphere and the environment is changing.

The Alpine meadows that we now enjoy in the Rocky Mountains, and I know John Denver could sing Rocky Mountain High, but those Alpine meadows may not be there in 100 years because the environment is changing enough that the biosphere changes and then there is no more mountain left to go to once we reach certain elevations.

□ 1845

So the fact is that we, because of our lack of an energy policy, are causing significant changes to our national parks. We can see it right in our homes, and today with the sweltering heat in D.C., it should be obvious, but over the long term, we are changing the substantive environment of our park system in a way that perhaps we do not fully understand.

I would like to note, too, that the administration issued a report. We had a debate for some period of time about whether global warming was taking place and if it was, were humans causing it. Well, that debate is done. The Bush administration issued a report a week ago which was the cumulation of scientific knowledge from various Federal agencies, and they concluded several things. President Bush's White House issued a report saying global warming is occurring, and this is an accepted global fact.

Number two, a significant portion of that is caused by human conduct. But despite the fact that the administration of the President of the United States concluded that global warming is occurring and humans are responsible for it, the President's response was just get used to it because I am not going to deal with the problem.

As a Member who feels strongly about the national parks, that is not an acceptable position because what the President said was, I am not going to act as a result of this report. That is unacceptable to the American people. It should be unacceptable because our national logo, if you will, is the eagle, not the ostrich. This ostrich approach by the President of the United States is not going to solve this problem. We need leadership from the President of the United States, which he is capable of providing. He has provided the country leadership in the war against terrorism, and we need the President to provide leadership on the war against global warming.

His response to date has been a volunteer program. He will ask major corporations in America to volunteer to reduce their emissions. Well, voluntary programs may work for PTA bake sales, but they are not going to work to change the course of global warming on this planet. We are urging the President to become engaged in dealing with this issue. It is vital that he do so, and it is vital for us in Congress to take steps as well, first by adopting a meaningful United States energy policy which is important not only for environmental concerns but for our security concerns so we do not have to remain addicted to whatever the political situation is in Saudi Arabia. We are hopeful the energy conferees will adopt a plan to move us toward a more sustainable energy policy to reduce our dependence on Saudi Arabia and whatever peculiar politics are happening there.

Mr. Speaker, I thank the gentleman from Oregon (Mr. BLUMENAUER) for this opportunity to talk about two very important issues, adoption of the roadless area bill so we can protect our pristine areas in the national forests, and this overarching problem of global warming which is going to significantly reduce the character of our national forests and our national parks if we do not act. I thank the gentleman for this opportunity to add my two cents' worth on these issues.

Mr. BLUMENAUER. Mr. Speaker, as always, the gentleman's two cents are worth a great deal to us. I thank the gentleman for putting in context, as we watch some of the most massive forest fires raging across four States now, one thinks of the consequences of continued global climate change, tinderbox forest lands, the problems that we can face across the country with wild fires, forest fires, that we could be involved in a vicious cycle; and I think the gentleman's message is a timely one this evening.

Mr. INSLEE. Mr. Speaker, if the gentleman would continue to yield, the report that I made reference to from the White House specifically said that a likely result of global warming are these prolonged drought conditions in the western United States, and what we are seeing now is what we can expect to see in the future in spades.

To comment on the fires, some Members who are not of an environmental lilt have tried to blame these fires on environmental laws and people who care about the environment who enforce environmental laws. That is really, to be charitable, poppycock about this issue.

We had the chief of the forest service, Mr. Bosworth, before the Committee on Resources; and some Members on the other side of the aisle were arguing that the reason Colorado was on fire was because an environmental group had filed an appeal of a proposal to do logging in a relatively small area, and they were arguing that was the reason that these fires had been cataclysmic. I asked Mr. Bosworth is that the reason these fires have become so huge. And he said no, there is no way that that caused these fires. He said these projects, some of which we do need to do to reduce the fuel load that has built up over decades, some of these projects we need to do; but those projects are going to take 10 years. There was an appeal that delayed a project 5 months and the chief, Mr. Bosworth, a Bush appointee, said those delays were not, repeat, not the reason for the fires in Colorado. The other thing is this is such a tiny measure, something like only 300,000 acres. It is the drought conditions which are so dangerous.

Mr. BLUMENAUER. Mr. Speaker, my recollection is that we had some of the people when we had the horrible cycle of fires that the gentleman and I are aware of in the Pacific Northwest, we heard the same drum beat; that somehow this was the problem, that we did not aggressively log the forest. My recollection is that during that period of time the forests that had the greatest loss were the ones that were the more intensely logged.

Mr. INSLEE. Because of drought and dryness conditions, it is going to burn through anything even if you have done preventive thinning in these extremely dry forests. The sad fact is, yes, there is some work that we can do to remove fuel loads in some of these forests; but when they are this dry, they are going to burn. Yes, Democrats and Republicans for decades suppressed fires so much that we allowed fuel to build up. But if they are going to be this dry for the next 200 years, we are not going to have national forests if we do not do something about global warming. The White House has the study, and we just need for them to act.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's leadership on this set of issues.

Mr. Speaker, I am touched by the range of issues that are involved here in terms of the protection of our public lands. I appreciate what the gentleman from Washington (Mr. INSLEE) was talking about. The gentleman referenced the roadless area rule in the Pacific Northwest. I think it is important to note that we had so many of these roads that are not properly maintained that are actually posing a threat to habitat. I like the philosophy

of being able to take advantage of the opportunity to manage what we have. It is very, very important to move forward with the codification of these measures. I am proud to join the gentleman in the cosponsorship of his legislation that would put into law the protection for those roadless areas.

A moment ago we had our colleague, the gentleman from New Jersey (Mr. HOLT), on the floor; but, unfortunately, the gentleman had a commitment and we were unable to recognize him in a timely fashion. But he is moving forward to introduce his Yellowstone-specific legislation this Thursday that I mentioned earlier. It is particularly timely that the gentleman from New Jersey (Mr. HOLT) moves forward because earlier today officials from the National Park Service announced that they were going to overrule the January 2001 rule that phased out snowmobile use in Yellowstone and Grand Teton National Parks.

While many of the specifics of their new rule are not known, the park service officials indicated that their preferred alternative will be a combination of the alternatives that appeared in the supplemental environmental impact statement, the SEIS, issued last March, a combination of alternative of two and three. What is known is that it will force snowmobile use in this environmentally sensitive area.

It will mean increased use and significant impacts on the park and wildlife. It could allow for increased number of snowmobiles in the park while also opening up additional miles for trail use. Under this plan, it is likely that the Clean Air Act and other National Park Service air-quality regulations will be violated. It is clear there will be an increase in health risks to the public and the employees over the original rule which would have banned snowmobiles.

I find a certain irony with today's rollback that will jeopardize the environmental integrity of Yellowstone National Park, ignoring as it does science, law, and public opinion. I am pleased that the gentleman from New Jersey (Mr. HOLT), the gentleman from Connecticut (Mr. SHAYS), and over 100 of us who are already cosponsoring this legislation are going to fight it.

I find no small amount of irony that the President in his campaign for office referred to the national parks as ''silent places, unworn by man.'' Yet the President seems determined to allow man to wear down these lands with loud and damaging vehicles.

I was impressed under the previous administration with the leadership of the superintendent of Yellowstone Park, Michael Finley, where the National Park Service opposed a phaseout of snowmobiles in Yellowstone and the Grand Teton National Park. They made this decision following 13 years of scientific study and 3 years of nationwide public comment. Let me repeat that. Thirteen years of study.

I had several meetings with Superintendent Finley, and I must say with a little bit of chauvinistic pride as an Oregonian, he revealed to me that over 80 percent of the public comments that were received in the process of this rule were in favor of banning snowmobiles.

Finally, the Environmental Protection Agency joined in this effort recommending the banning of snowmobiles because of the carbon monoxide emissions which were threatening the health of not only the park's ecosystem but, candidly, it was a risk to the health of the park employees. Yet the Bush administration has decided to undercut the National Park Service, the Environmental Protection Agency, and ignore the American public.

□ 1900

I hope that it is not too late for this Congress to step forward, to listen to the science, the will of the American public and legislate a ban on these vehicles in Yellowstone and the Grand Teton National Parks.

It is, Mr. Speaker, an amazing volume of activity. This is not just an occasional recreational vehicle user going through an otherwise pristine environment. We are talking about 80,000 people using snowmobiles; and they are producing, in one of the ecological treasures of this country, more air pollution each year than all the cars and the trucks that carry 3 million other visitors into the park. Think about it for a moment. By overturning this phaseout, it has the effect of doubling the air pollution from the 3 million visitors. It is like having that population double to 6 million.

We have found, Mr. Speaker, that the pollution from the snowmobiles impairs the visibility in the park. It contributes to pollution levels that are higher than allowed in a national park, and these are violations of the Clean Air Act. The noise from the snowmobiles is audible as much as 95 percent of the time in popular sites, interfering with the enjoyment of other visitors.

But it is not just the human visitors that are harassed, because these 80,000 visitors regularly harass wildlife. They are chasing bison back and forth between the roadside snow banks, forcing them to expend energy they need to make it through the harsh winter conditions.

Based on the science, the Park Service concluded that snowmobile use is impairing the resources in the parks in violation of the Organic Act's mandate that the Service-managed parks, to leave them unimpaired for the enjoyment of future generations.

The Service also found that the snowmobile use is inconsistent with the requirements of the Clean Air Act, Executive Orders 11644 and 11989 by Presidents Nixon and Carter relating to offroad vehicle use in public lands, that the National Park Service general snowmobile regulations and management objectives for the park are also violated.

All these requirements are based on long-standing bipartisan commitment for our national parks be given the highest standard in applying the highest level of protection. The strictest and most detailed government standards applying to snowmobile use in the parks were adopted by President Nixon and during the Reagan administrations. The irony is that this important environmental work, bipartisan in nature, strong congressional input, would be thrown out the window by a President who claimed during his campaign to be a friend of the National Park Service.

Mr. Speaker, I have more material that I wish to offer up and that the gentleman from New Jersey (Mr. HOLT) would have done in my stead, but I notice that we have been joined this evening by the gentleman from New York (Mr. HINCHEY), a gentleman who has been tireless in his support of these national treasures, a gentleman who I am pleased to note serves on the critical Interior Subcommittee of Appropriations where he has spent a huge amount of time visiting these resources, fighting in Congress and with the general public. I am honored that he is here this evening and would see if he would like to enter into this discussion.

Mr. HINCHEY. Mr. Speaker, I thank the gentleman for giving me the opportunity to enter into this discussion.

I was particularly interested in his remarks a few moments ago about the Nation's national parks. These national parks were set aside initially under the administration of Theodore Roosevelt, that is when they first began, a very respected Republican President who was one of the most environmentally sensitive and far-seeing Presidents in our history. It is unfortunate that this present administration, another Republican President, has sought to degrade the national parks in the ways in which we have just heard.

One of the most serious elements of that degradation has to do with air quality. The national parks were set aside initially in the first instance during the administration of Theodore Roosevelt; and when he initiated the first national parks, he talked about the need for Americans, for people, to have a quiet place, a place where they could go and be in touch with the natural elements and get back to a sense of real nature, a place that is pristine, quiet, a place for reflection and a place for us to understand our own relationships with the natural world. That was really the foundation for the national parks.

I am paraphrasing the words of President Theodore Roosevelt, but that was one of the essential aspects of the message that he laid out when he first began to form our series of national parks.

Under this administration, the degradation of air quality and also the proliferation of noise as a result of the extraordinary use of snowmobiles in the winter months is causing serious harm to the national parks themselves

and, of course, to the natural setting and is absolutely destroying the sense of quiet, the sense where people can go to get a deeper understanding of the natural world and of themselves. And, of course, the effect on air quality by these snowmobiles is such that the air quality on the western end of Yellowstone, for example, at times is worse than it is, and this is frequently occurring, at frequent times, in major urban areas as a result of the burning of the fossil fuels to propel the snowmobiles.

Of course, the parks are there for everyone. We all want an opportunity to enjoy them, and they are there for recreational use. But there needs to be a realization that one particular aspect of use cannot destroy the joy and the experience that other people have who want to use the national parks in other ways, for hiking, for cross-country skiing, things of that nature. So I am very distressed, along with everyone who has a deep care about our national treasures, Yellowstone, Yosemite, the other wonderful national parks that make up this unique array of park systems in our country and how it is being degraded and in some sense actually destroyed by the unlimited use of snowmobiles.

I also noticed that earlier there was a discussion with regard to clean air. It also ought to be brought to people's attention how the administration's proposal, in effect gutting serious elements of the Clean Air Act, is having on air quality in many places around the country, not just on national parks but all across the country. The Clean Air Act has been one of the most effective tools to provide a cleaner and healthier environment for all Americans that we have seen in the history of the country. Over the course of now more than 30 years, since 1970, the effect of the Clean Air Act has been to reduce air pollution on average across the country by about 30 percent. That effect will continue. Except that the administration now has said that they are going to remove an important part of the Clean Air Act, known as new source review.

I think that everyone knows, Mr. Speaker, that a major source of air pollution in this country is the generation of electricity through the burning of fossil fuels and the fact that when the Clean Air Act went into effect, many of these old power plants were, in effect, grandfathered. In other words, they did not have to put on the modern cleaning technology which scrubs out the pollutants before they get into the air.

But a provision of the Clean Air Act stipulated that whenever the owner of one of these power plants upgraded the plant in some way to increase the amount of electricity that was being produced or in some other significant way to gain some economic benefit, additional economic benefit from the plant, that at that point new source review kicks in and that the owner of the power plant would then have to install equipment to clean the air coming out of those plants. The administration is now eliminating new source review through the Environmental Protection Agency.

That is going to have a debilitating effect on air quality in many places around the country but especially in the Northeast. In New York, for example, where the Adirondack Mountains suffer from the pollutants that come from these power plants in the form of acid precipitation, acid rain, snow, sleet, hail that falls on the growth in these mountains and also on the lakes, the effect of that has been to completely eliminate all life forms in more than 300 lakes and ponds in the Adirondack Mountains of New York. A similar effect is being experienced in Vermont, in New Hampshire, Maine and other places.

So the effectiveness of the Clean Air Act, which has been an enormously successful instrument to provide a cleaner, healthier environment for Americans, is being subverted by this administration by the elimination of this provision known as new source review.

This is important not just from an aesthetic point of view, not just from the point of view of all of us, I believe all of us who appreciate the quality of a natural environment, to go into a wooded area, to climb a mountain, to go into some back country and breathe the clean air, not only that loss and the loss of the life forms in those more than 300 lakes and ponds in the Adirondacks and similarly in other States, but by gutting the Clean Air Act in this way, by eliminating new source review, by putting more pollutants into the atmosphere, it also degrades the quality of our lives in a very material way. We will see increased incidence of asthma and other lung ailments as a result of the poor quality of air. It is, in fact, a genuine and real health problem.

For all of these reasons, we are deeply concerned about the attitude that has been expressed by the majority of the Members in this House, particularly over the course of the last several years that they have been in the majority, and also the attitude that is apparently being expressed by the administration recently in removing new source review from the Clean Air Act and thereby causing substantial additional pollutants to go into the air and also by degrading the national parks by the unlimited, unregulated use of snowmobiles in those national parks.

I thank the gentleman from Oregon (Mr. BLUMENAUER) for setting aside this time for us, Mr. Speaker, so that we could have the opportunity to discuss in some detail these important environmental issues which are also important public health issues.

Mr. BLUMENAUER. I appreciate the gentleman joining us and rounding out the discussion to take on the dimensions of public health.

He made an observation that I thought was important, and I would like to pursue one slight distinction. I, too, have been concerned that our Republican colleagues in the leadership have been pursuing an environmental agenda that I think is very much out of sync with what is practiced by most of the American public, the views and attitudes. But the irony is that their limited approach in cutting off debate and not allowing a full range of options to be discussed, actually, they have denied a majority of the House an opportunity to be heard and move important protective legislation forward. I think it is sad, because I know that there are some of our friends on the other side of the aisle who feel uncomfortable with these environmental initiatives.

There is a majority of the House, when we get clean votes for air quality, when we get clean votes for clean water, more often than not the majority will of the House is such that it is in keeping with what the majority will of the American public is in terms of its environmental ethic. But, sadly, we are not permitted to have these straight up or down votes and this full and honest debate.

Mr. HINCHEY. Of course, what the gentleman from Oregon is pointing out here is an undermining, even an abrogation of the basic democratic system under which this Congress is supposed to function. This Congress is set up as a place where the issues that are of most importance and of deepest concern to the American people can be debated freely and openly.

□ 1915

Certainly, this environmental issue in all of its aspects, its aesthetic aspects, its environmental quality aspects, its public health aspects, is an issue that ought to be debated fully. We ought not to be here in the evening, during the period of Special Orders, although it is a good thing to do, we really ought to have the opportunity to exchange these views with Members on the other side of the aisle, the Republican Party who is in charge of this House and sets the rules in this House. We ought to be able to engage them in substantive debate on these issues so that people can see the differences that exist between them and us, and so that they can then make a decision as to what kind of representation they want.

The gentleman reminding us of the way in which basic democratic principles have been undermined here and the way the House is governed also points out to me the fact that the most important vote that we cast here at the beginning of each Congress every 2 years is the vote that establish the leadership of the House, because it is the leadership of the House that determines the agenda of the House and determines the way in which this House of Representatives is not just organized, but the way it conducts its business day in and day out. It is supposed to be done in an orderly and progressive way; but unfortunately, we have not seen that to be the rule here over the course of the last several years.

So it would be much better if we had an opportunity to discuss the environmental issue, just as it would be much better if we had the opportunity to discuss the energy issue, which I know the gentleman touched on earlier this evening and the fact that our energy policy is one that is devoted almost entirely, almost exclusively, to exploitation of natural resources, and the burning of fossil fuels, rather than focusing, in part, on significant energy conservation and the production of energy through alternative means that are nonpolluting.

That debate is one that we ought to have as well, because I believe the American people want us to develop an energy policy which is multifaceted, which is broad-based, which conserves our natural resources, and which improves the quality of the environment just as they want us to have an open and full environmental debate on these issues as well.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's comments. I come from a background, Mr. Speaker, in a State where there are nominally partisan politics; but when I got started in the political process, the issues of protecting the environmental heritage of the State of Oregon was something that Republicans and Democrats could often come together on. There was a great Republican environmental leader, Tom McCall, that actually gave me my very first governmental assignment when I was still a college student to be on Oregon's livable community, it was a livable community commission. I worked with some key Republicans when we were doing legislative protections of the environment when I was a State legislator in the 1970s.

The protection of our environmental heritage should not be partisan, and I am sorry that it has reached that point today. It is interesting, however, that the men and women who run for national office and increasingly, even on the State level, embrace the rhetoric of environmental protection, hence some of the quotations that I gave earlier this evening from candidate Governor Bush when he was running and how he was going to respect and honor the environment.

It is interesting that through the manipulation of the political process that there are acts that are undertaken, criticism of the last administration, for example, for using the antiquities act to protect some great national monuments in this country. But now, all of the smoke and fury has subsided. There is a Republican in the White House, there is a Republican leadership, but are they introducing leadership to repeal President Clinton's monument designations? No. There is not a single bill that is coming forward to repeal them. Instead, what we see is that there is actually legislation that some of our Republican colleagues are proposing that would tie the hands of President Bush and future Presidents to designate monuments as sort of I guess a signal to some of their antienvironmental supporters, but not stepping forth to try and roll anything back because we know the American public will not stand for it.

Mr. Speaker, I think our challenge here is to make sure that the American public understands what is happening with the rollback that we talked about earlier in terms of the rule that would have phased out the use of snowmobiles, that we are having the Padre Island National Seashore, Gulf Shore Islands National Seashore, Cape Lookout National Seashore where there was a national park superintendent of those areas had proposed that there be a ban on jet ski use in those waters. But now, these proposed bans which had broad public support and to deal with the massive environmental damage, it is not just the noise of the jet skis. Most of these, for 4 gallons of gasoline that is burned, one goes into the water.

Well, now the administration and some of our Republican House Members are pressuring the National Park Service to override the superintendents. Now these parks must do a new environmental assessment and rulemaking to allow jet ski use to continue, despite the environmental damage, despite the public opposition. It is unfortunate that we are seeing example after example.

The gentleman referenced the situation of the National Park Service and our illustrious President Teddy Roosevelt. It is frustrating to see the actual purpose, the Organic Act, under which the National Park Service was organized that called for the conservation of scenery, the natural and historic objects and the wildlife therein, and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations, the enjoyment of future generations. Nothing, nothing could be further from obtaining, enforcing, celebrating the requirement of that original act and what we see is being infested upon the American public as we speak.

Mr. HINCHEY. Mr. Speaker, I am sure if Teddy Roosevelt were President today, the approach to environmental issues would be much different. It is really a shame in a way, because we have had a number of Republican Presidents who developed and nurtured very sound policies with regard to the environment. If they were in office today, one of the first things that they would turn their attention to is probably the most serious environmental problem of all, most serious because it is global in nature, most serious because it has the potential to alter the environment in very basic and fundamental ways all around the Earth, and we are seeing the effects of that already.

What I am speaking of, of course, is the phenomenon of global warming and the fact that so much of the warming that we have been experiencing in recent decades comes about as a result of the activities of our species on this planet, and it is the burning of fossil fuels and the placing in the atmosphere of these gases, particularly carbon dioxide.

Last year was the second warmest year on record. Two years earlier, it was the warmest year on record. The decade of the 1990s was the warmest decade on record. The one before that was the decade of the 1980s. I mean it does not take a genius to see what is going on here. Not long ago, a part of the Arctic ice cap, the Antarctic Ice Sheet, in fact, dropped off, a size of the State of Rhode Island. That came about as a result of rising temperatures and the melting of the ice.

There was an amazing story on the front page of the New York Times just about a week ago which talked about the effect of global warming in Alaska, how in one situation, an island which had been inhabited for a long, long time, I do not think anyone knows precisely how long, but very, very long, as being inundated because of the fact that the polar ice caps are melting and the sea level around the world is rising. An island such as this one in Alaska is being inundated and people are going to have to move off of that island to live somewhere else. Roads are buckling because of the warming in Alaska. That is happening because the permafrost is no longer perma.

In other words, it is no longer permanent. The frost there is melting; and as a result of that, we are getting heaves of the Earth and the roads are buckling as a consequence of that. I think it was spoken of earlier that global warming is, in some measure, causing the dryness that is contributing to the fires that we are seeing around the country, and it is also contributing to the changes in weather patterns that we are experiencing, drier climates in some areas, and a whole host of things that are becoming more and more evident with each passing day, each passing week, month and year.

Mr. Speaker, we need to do something about it. We need to focus our attention on it. Every other industrial country in the world is taking a responsible position on global warming, cutting back their emissions. This administration has decided to turn its back on the issue, and I can remember it was just a few years ago when in debating an Interior Appropriations, Republican members of that committee wanted to strike from the bill the phrase ''global warming'' because they contended that it did not exist, that it was fanciful and there was no point in having such a phrase in legislation because they contended it was a complete fix.

Mr. Speaker, it is shocking that this level of ignorance exists, but there it is for everyone to see. This is a problem that we need to pay attention to.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman taking us

back into the global scope of things. I would just conclude by turning our attention back to where we began this evening in terms of the public lands and the President's promise when he was candidate Governor Bush to deal with improving the stewardship. Not only are they rolling back protections for motorized vehicles, dealing with just the nuts and bolts that the gentleman from New York is going to have to deal with on the Interior committee in terms of the budget where we are going to eliminate a $5 billion budget cap. This year I note that the gentleman has been given a Presidential appropriation request, $2 million above last year's enactment.

RECESS

The SPEAKER pro tempore (Mr. KERNS). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 28 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2038

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SESSIONS) at 8 o'clock and 38 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4598, HOMELAND SECURITY INFORMATION SHARING ACT

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 107–535) on the resolution (H. Res. 458) providing for consideration of the bill (H.R. 4598) to provide for the sharing of homeland security information by Federal intelligence and law enforcement agencies with State and local entities, which was referred to the House Calendar and ordered to be printed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mrs. THURMAN, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mrs. CAPPS, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. EDDIE BERNICE JOHNSON of Texas, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mrs. NAPOLITANO, for 5 minutes, today.

Ms. CARSON of Indiana, for 5 minutes, today.

Mr. LANGEVIN, for 5 minutes, today.

(The following Members (at the request of Mr. MORAN of Kansas) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, June 26 and 27.

ADJOURNMENT

Mr. GOSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 26, 2002, at 10 a.m.]

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

7608. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Triflumizole; Pesticide Tolerance [OPP-2002-0063; FRL-7180-5] received June 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7609. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Spinosad; Time-Limited Pesticide Tolerance [OPP-2002-0099; FRL-7182-1] (RIN: 2070-AB78) received June 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7610. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Carfentrazone-ethyl; Pesticide Tolerances for Emergency Exemptions [OPP-2002-0072; FRL-7178-1] received June 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7611. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Carboxin; Pesticide Tolerance [OPP-2002-0028; FRL-7180-6] received June 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7612. A letter from the Director, Office of Legislative Affairs, FDIC, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule — Technical Amendments to FDIC Regulation Relating to Forms, Instructions, and Reports (RIN: 3064-AC52) received June 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

7613. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule — Changes in Flood Elevation Determinations [Docket No. FEMA-D-7515] received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

7614. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule — Changes in Flood Elevation Determinations [Docket No. FEMA-P-7606] received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

7615. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule — Final Flood Elevation Determinations — received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

7616. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule — Changes in Flood Elevation Determinations — received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

7617. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Underground Injection Control Program — Notice of Final Determination for Class V Wells [FRL-7225-8] (RIN: 2040-AD63) received June 5, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7618. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Municipal Solid Waste Landfill Location Restrictions for Airport Safety [FRL-7227-9] (RIN: 2050-AE91) received June 5, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7619. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval of an Air Quality Implementation Plan Revision; South Dakota; Rapid City Street Sanding Regulations to protect the National Ambient Air Quality Standards for PM-10 [SIP NO. SD-001-0012a; FRL-7216-1] received June 5, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7620. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of State Plans For Designated Facilities and Pollutants: Maine; Negative Declaration [ME 067-7016a; FRL-7227-1] received June 5, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7621. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Revisions to the Air Resource Regulations [PA159-4189a; FRL-7211-7] received June 5, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7622. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Motor Vehicle Inspection and Maintenance Program — Request for Delay in the Incorporation of On-board Diagnostics Testing [PA 182-4196a; FRL-7224-8] received June 5, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7623. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Nevada; Final Authorization of State Hazardous Waste Management Program Revisions [FRL-7228-1] received June 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7624. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — National Emission Standards for Hazardous Air Pollutants From Phosphoric Acid Manufacturing Plants and Phosphate Fertilizers Production Plants [FRL-7229-5] (RIN: 2060-AE44) received June 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7625. A letter from the Principal Deputy Associate Administrator, Environmental

Protection Agency, transmitting the Agency's final rule — National Emission Standards for Hazardous Air Pollutants for Secondary Aluminum Production [FRL-7225-6] (RIN: 2060-AE77) received June 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7626. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — National Emission Standards for Hazardous Air Pollutants From Phosphoric Acid Manufacturing Plants and Phosphate Fertilizers Production Plants [FRL-7229-4] (RIN: 2060-AE44) received June 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7627. A letter from the Secretary of the Commission, Federal Trade Commission, transmitting the Commission's final rule — Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act (''Appliance Labeling Rule'') — received June 3, 2002, pursuantto 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7628. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule — Final Decision Related to the U.S. Department of Energy's General Guidelines for the Recommendation of Sites for Nuclear Waste Repositories (10 CFR Part 960) and its YUCCA Mountain Site Suitability Guidelines — received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7629. A letter from the Director, Office of Government Ethics, transmitting the Office's final rule — Testimony by OGE Employees Relating to Official Information and Production of Official Records in Legal Proceedings (RIN: 3209-AA23) received June 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

7630. A letter from the Assistant Secretary, Department of the Interior, transmitting the Department's final rule — Injurious Wildlife Species; Brushtail Possum (Trichosurus vulpecula) (RIN: 1018-AE34) received June 6, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

7631. A letter from the Deputy Assistant Administrator for Operations, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Financial Assistance for Research and Development Projects to Assess the Potential Suitability of Non-native Oysters in Chesapeake Bay [Docket No. 020418090-2090-01; I.D. 041202B] (RIN: 0648-ZB19) received June 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

7632. A letter from the Regulations Officer, FMCSA, Department of Transportation, transmitting the Department's final rule — Parts and Accessories Necessary for Safe Operation; Manufactured Home Tires [Docket No. FMCSA-97-2341] received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7633. A letter from the Trial Attorney, Department of Transportation, transmitting the Department's final rule — Railroad Workplace Safety [Docket No. FRA-2001-10426] (RIN: 2130-AA48) received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7634. A letter from the Acting Director, Office of Regulatory Law, Department of Veterans Affairs, transmitting the Department's final rule — Medical Benefits Package; Copayments for Extended Care Services (RIN: 2900-AK32) received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

7635. A letter from the Chief, Regulations Branch, Department of the Treasury, transmitting the Department's final rule — Extension of Import Restrictions Imposed on Archaeological and Ethnological Materials from Peru [T.D. 02-30] (RIN: 1515-AD12) received June 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7636. A letter from the Chief, Regulations Branch, Department of the Treasury, transmitting the Department's final rule — Civil Aircraft [T.D. 02-31] (RIN: 1515-AC59) received June 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7637. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule — Determination of Interest Rate (Rev. Rul. 2002 -13) received June 3, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7638. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule — Debt Instruments with Original Issue Discount; Annuity Contracts [TD 8993] (RIN: 1545-AY60) received June 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7639. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule — Determination of Interest Rate (Rev. Rul. 2002-33) received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Florida: Committee on Appropriations. Report on the Suballocation of Budget Allocations for Fiscal Year 2003 (Rept. 107–529). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOEHLERT: Committee on Science. H.R. 4687. A bill to provide for the establishment of investigative teams to assess building performance and emergency response and evacuation procedures in the wake of any building failure that has resulted in substantial loss of life or that posed significant potential of substantial loss of life; with an amendment (Rept. 107–530). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 4481. A bill to amend title 49, United States Code, relating to airport project streamling, and for other purposes; with an amendment (Rept. 107–531). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEWIS of California: Committee on Appropriations. H.R. 5010. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2003, and for other purposes (Rept. 107–532). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOBSON: Committee on Appropriations. H.R. 5011. A bill making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2003, and for other purposes (Rept. 107–533). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 4598. A bill to provide for the sharing of homeland security information by Federal intelligence and law enforcement agencies with State and local entities; with an amendment (Rept. 107–534 Pt. 1). Ordered to be printed.

Mr. GOSS: Committee on Rules. House Resolution 458. Resolution providing for consideration of the bill (H.R. 4598) to provide for the sharing of homeland security information by Federal intelligence and law enforcement agencies with State and local entities (Rept. 107–535). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. YOUNG of Alaska (for himself, Mr. OBERSTAR, Mr. LATOURETTE, Mr. KOLBE, Mr. KENNEDY of Rhode Island, and Mr. COSTELLO):

H.R. 5012. A bill to amend the John F. Kennedy Center Act to authorize the Secretary of Transportation to carry out a project for construction of a plaza adjacent to the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. GEKAS (for himself, Mr. BARTLETT of Maryland, Mr. CULBERSON, Mr. DEAL of Georgia, Mr. GOODE, Mr. SAM JOHNSON of Texas, Mr. NORWOOD, Mr. SESSIONS, Mr. SMITH of Texas, Mr. STUMP, Mr. TANCREDO, and Mr. WELDON of Florida):

H.R. 5013. A bill to amend the Immigration and Nationality Act to bar the admission, and facilitate the removal, of alien terrorists and their supporters and fundraisers, to secure our borders against terrorists, drug traffickers, and other illegal aliens, to facilitate the removal of illegal aliens and aliens who are criminals or human rights abusers, to reduce visa, document, employment, and voting fraud, to reform the legal immigration system, and for other purposes; to the Committee on the Judiciary.

By Mr. ANDREWS:

H.R. 5014. A bill to amend title 49, United States Code, to provide a credit toward the non-Federal share of projects carried out under the airport improvement program to an owner or operator of an airport that is utilized to respond to a disaster or emergency; to the Committee on Transportation and Infrastructure.

By Mrs. CLAYTON:

H.R. 5015. A bill to promote workforce development in rural areas and assist low income residents of rural communities in moving from welfare to work; to the Committee on Education and the Workforce.

By Mr. ISSA (for himself, Mr. SAXTON, Mr. CALVERT, and Mr. PITTS):

H.R. 5016. A bill to express the appreciation of Congress for the outstanding contribution that all military chaplains make to the members of the Armed Forces and their families; to the Committee on Armed Services.

By Mr. ROHRABACHER:

H.J. Res. 101. A joint resolution disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam; to the Committee on Ways and Means.

By Mrs. CUBIN (for herself, Mr. HANSEN, Mr. RAHALL, Mr. GEKAS, Mr. SHUSTER, Mr. HILLIARD, Mr. KANJORSKI, Mr. STRICKLAND, Mr. UDALL of Colorado, Mr. HOLDEN, Ms. HART, Mr. SCHAFFER, and Mr. GREENWOOD):

H. Con. Res. 425. Concurrent resolution calling for the full appropriation of the State and tribal shares of the Abandoned Mine

Reclamation Fund; to the Committee on Resources.

By Mr. CUMMINGS:

H. Con. Res. 426. Concurrent resolution expressing the sense of Congress regarding the awareness of and treatment for kidney disease; to the Committee on Energy and Commerce.

By Mr. PALLONE:

H. Res. 457. A resolution paying tribute to the Visiting Nurse Association of Central Jersey on the occasion of the association's 90th anniversary, and for other purposes; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

298. The SPEAKER presented a memorial of the Legislature of the State of Tennessee, relative to Senate Joint Resolution No. 584 memorializing the United States Congress to fully fund the facilities modernization of the Y–12 Plant in the Fiscal Year 2003 federal budget; to the Committee on Armed Services.

299. Also, a memorial of the Legislature of the State of Maine, relative to H.P. 1744 Joint Resolution memorializing the Congress of the United States, the President of the United States and the United States Environmental Protection Agency Administrator to maintain the existing regulations on new source review; to the Committee on Energy and Commerce.

300. Also, a memorial of the Legislature of the State of Michigan, relative to House Concurrent Resolution No. 36 memorializing the United States Congress and the President to work to implement United Nations resolutions to bring peace and security to Cyprus; to the Committee on International Relations.

301. Also, a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to House Resolution No. 534 memorializing the United States Congress to urge the National Park Service to honor the great sacrifices endured by the men of the Second Regiment United States Sharpshooters, Company C, during the Civil War; to the Committee on Resources.

302. Also, a memorial of the House of Representatives of the State of Michigan, relative to House Resolution No. 354 memorializing the United States Congress to enact legislation to ban all human cloning; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 134: Mr. PLATTS.

H.R. 168: Mrs. ROUKEMA, Mr. BEREUTER, and Mr. BROWN of South Carolina.

H.R. 267: Mr. SIMMONS.

H.R. 320: Mr. GEKAS.

H.R. 360: Mr. STARK.

H.R. 425: Mr. LYNCH.

H.R. 488: Mr. STRICKLAND.

H.R. 609: Mr. GEKAS.

H.R. 633: Mr. DAVIS of Illinois, Mr. BAIRD, and Ms. ESHOO.

H.R. 674: Mr. PRICE of North Carolina.

H.R. 792: Ms. DELAURO.

H.R. 1296: Mr. GILMAN.

H.R. 1361: Mr. MALONEY of Connecticut.

H.R. 1405: Mr. SABO.

H.R. 1490: Mr. WILSON of South Carolina and Mr. BRYANT.

H.R. 1520: Mr. TRAFICANT.

H.R. 1556: Mr. LATHAM.

H.R. 1581: Mr. SIMMONS and Mr. PETERSON of Pennsylvania.

H.R. 1671: Mrs. MINK of Hawaii.

H.R. 1723: Ms. WATERS.

H.R. 1724: Ms. LOFGREN.

H.R. 1908: Mr. BAKER.

H.R. 1990: Mr. ORTIZ.

H.R. 2012: Mr. MCHUGH.

H.R. 2035: Mr. COYNE.

H.R. 2055: Mr. BOOZMAN.

H.R. 2073: Mr. KANJORSKI.

H.R. 2117: Mr. DELAHUNT and Mr. TERRY.

H.R. 2200: Mr. LATHAM.

H.R. 2349: Mr. BARCIA

H.R. 2466: Mr. HUNTER.

H.R. 2690: Mr. GEKAS.

H.R. 2723: Mr. DINGELL and Mr. ENGLISH.

H.R. 2799: Ms. DELAURO.

H.R. 2874: Mr. WU, Mr. STRICKLAND, and Mr. DICKS.

H.R. 3006: Mr. OWENS, Mr. GREEN of Wisconsin, and Mr. GOODE.

H.R. 3131: Mr. VISCLOSKY.

H.R. 3139: Mr. COSTELLO.

H.R. 3207: Ms. BROWN of Florida.

H.R. 3223: Mr. GALLEGLY.

H.R. 3238: Mr. HOEFFEL.

H.R. 3320: Mr. CAMP and Ms. DUNN.

H.R. 3324: Ms. MCKINNEY.

H.R. 3342: Mr. WU.

H.R. 3351: Mr. DOGGETT, Mr. MOLLOHAN, Mr. CANNON, Mr. FORD, Mr. KUCINICH, Ms. HARMAN, Mr. WATKINS, Mr. REHBERG, Mr. HOEKSTRA, Mr. KERNS, and Mr. UNDERWOOD.

H.R. 3360: Mr. WILSON of South Carolina.

H.R. 3388: Mr. TRAFICANT.

H.R. 3431: Mr. ROTHMAN and Mr. CRENSHAW.

H.R. 3464: Mr. BLAGOJEVICH, Mr. CARDIN, and Mr. WYNN.

H.R. 3486: Ms. HOOLEY of Oregon and Mr. SHAYS.

H.R. 3569: Mr. BARRETT.

H.R. 3661: Mr. WATT of North Carolina and Mr. EVANS.

H.R. 3695: Mr. STARK.

H.R. 3710: Ms. KAPTUR.

H.R. 3781: Mr. EVANS, Mr. ABERCROMBIE, and Mr. SHERMAN.

H.R. 3782: Mr. CRAMER, Ms. WOOLSEY, Mr. OTTER, Mr. HILLEARY, and Mr. WOLF.

H.R. 3802: Mr. DEAL of Georgia.

H.R. 3831: Mr. VITTER, Mr. BROWN of Ohio, Mr. ETHERIDGE, and Mr. BRADY of Pennsylvania.

H.R. 3834: Mr. SABO.

H.R. 3880: Mr. MCHUGH and Mr. REYNOLDS.

H.R. 3884: Mr. DINGELL.

H.R. 3897: Mr. SHIMKUS and Ms. SCHAKOWSKY.

H.R. 3940: Mr. BOYD.

H.R. 4014: Mr. WATT of North Carolina.

H.R. 4026: Ms. WATSON.

H.R. 4032: Mr. COSTELLO, Mr. UNDERWOOD, Mr. CAPUANO, and Mrs. JONES of Ohio.

H.R. 4037: Ms. WOOLSEY.

H.R. 4066: Mr. ORTIZ and Mr. KOLBE.

H.R. 4070: Mr. RODRIGUEZ.

H.R. 4113: Ms. SCHAKOWSKY, Mr. DEUTSCH, Mr. EVANS, Ms. VELAZQUEZ, Mr. GEORGE MILLER of California, Mr. LEVIN, Mr. MCDERMOTT, and Mr. OWENS.

H.R. 4169: Mr. SIMPSON

H.R. 4205: Ms. MCKINNEY, Mr. TOWNS, and Ms. MILLENDER-MCDONALD.

H.R. 4483: Mr. EVERETT, Mr. BARTLETT of Maryland, Mr. WELLER, Mr. SHADEGG, Mr. BONILLA, Mr. PHELPS, Mr. FORD, and Ms. MCCOLLUM.

H.R. 4551: Mr. GONZALEZ.

H.R. 4582: Mr. FORD and Mr. MARKEY.

H.R. 4600: Mr. JEFF MILLER of Florida, Mr. BASS, and Mr. GALLEGLY.

H.R. 4614: Mr. BROWN of Ohio.

H.R. 4635: Mr. STRICKLAND.

H.R. 4642: Mr. WILSON of South Carolina.

H.R. 4665: Ms. NORTON and Ms. MILLENDER-MCDONALD.

H.R. 4691: Mr. CHABOT and Mr. SAM JOHNSON of Texas.

H.R. 4693: Mr. KINGSTON, Mr. PHELPS, Mr. BRYANT, Mr. WELLER, Mrs. MORELLA, Mr. JOHNSON of Illinois, and Mr. LANTOS.

H.R. 4706: Mrs. KELLY.

H.R. 4730: Ms. CARSON of Indiana.

H.R. 4743: Mr. FILNER, Ms. SCHAKOWSKY, and Mr. MCDERMOTT.

H.R. 4753: Mr. LEWIS of Kentucky.

H.R. 4754: Mr. BOYD and Mr. HALL of Ohio.

H.R. 4756: Mr. HOUGHTON.

H.R. 4777: Ms. NORTON.

H.R. 4810: Mr. SHAW and Mr. KLECZKA.

H.R. 4821: Mr. DAVIS of Illinois, Mr. KUCINICH, Ms. RIVERS, Mr. DEFAZIO, and Mr. CROWLEY.

H.R. 4840: Mr. GALLEGLY.

H.R. 4866: Mr. PLATTS, Mr. SWEENEY, Mr. GOODE, Mr. ETHERIDGE, Mr. BALDACCI, Ms. WATSON, and Mr. RODRIGUEZ.

H.R. 4887: Mr. KILDEE, Mr. CAMP, and Mr. HASTINGS of Florida.

H.R. 4907: Mr. SESSIONS.

H.R. 4916: Mr. COSTELLO, Mr. UNDERWOOD, Mr. STARK, Mr. FRANK, Mr. DAVIS of Illinois, and Mr. CAPUANO.

H.R. 4920: Mr. GEORGE MILLER of California, and Mr. FARR of California.

H.R. 4937: Ms. MILLENDER-MCDONALD and Mrs. CHRISTENSEN.

H.R. 4951: Mr. MENENDEZ, Mr. MCDERMOTT, Mr. CARSON of Oklahoma, Mr. SCHIFF, Ms. NORTON, Ms. KAPTUR, Mr. OWENS, Mr. BROWN of Ohio, Mr. FROST, Mr. UNDERWOOD, Mr. LIPINSKI, Mr. STENHOLM, Ms. MILLENDER-MCDONALD, and Mr. SERRANO.

H.R. 4954: Mr. LEWIS of Kentucky, Mr. VITTER, and Mr. HOUGHTON.

H.R. 4955: Mr. DEAL of Georgia.

H.R. 4964: Mr. FALEOMAVAEGA.

H.R. 4965: Ms. ROS-LEHTINEN, Mrs. NORTHUP, Mr. LUCAS of Oklahoma, Mr. STEARNS, Mr. WATKINS, Mr. THUNE, Mr. JONES of North Carolina, Mr. HUNTER, Mr. TOOMEY, Mr. SCHROCK, Mr. CRANE, and Mr. WATTS of Oklahoma.

H.R. 4981: Mr. HALL of Ohio, Mr. SPRATT, Mr. TAYLOR of North Carolina, Mr. CONDIT, and Mr. CLYBURN.

H.R. 5002: Mr. RANGEL and Ms. GRANGER.

H.R. 5003: Mr. DOOLITTLE.

H.R. 5005: Mr. HYDE.

H.J. Res. 23: Mr. TIBERI.

H.J. Res. 59: Mr. DEAL of Georgia, Mr. PAUL, and Mr. GOODE.

H. Con. Res. 238: Mr. BACHUS.

H. Con. Res. 341: Mr. KENNEDY of Rhode Island, Ms. JACKSON-LEE of Texas, Mr. SANDERS, and Ms. MCKINNEY.

H. Con. Res. 350: Mr. COLLINS.

H. Con. Res. 351: Mr. OBERSTAR, Mr. EVANS, and Ms. SLAUGHTER.

H. Con. Res. 367: Mr. SOUDER and Mr. SCHAFFER.

H. Con. Res. 382: Mr. INSLEE.

H. Con. Res. 404: Ms. NORTON.

H. Con. Res. 413: Mr. MCHUGH and Mr. BOEHLERT.

H. Con. Res. 424: Mr. NUSSLE.

H. Res. 393: Mr. OWENS, Mr. HOEFFEL, Mr. FARR of California, Mr. GUTIERREZ, Mr. SCHROCK, Mr. CRANE, and Mr. JONES of Ohio.

H. Res. 410: Mr. COYNE.

H. Res. 445: Mr. UDALL of Colorado, Mrs. BONO, and Mr. WALSH.

H. Res. 448: Mr. ISAKSON, Mr. CASTLE, Mr. PLATTS, and Mr. SAM JOHNSON of Texas.

PETITIONS, ETC.

Under clause 3 of rule XII,

64. The SPEAKER presented a petition of the Town Board, East Hampton, New York, relative to Resolution No. 648 petitioning the United States Congress that the Town Board of East Hampton supports the passage of the Nuclear Security Act of 2001; which was referred to the Committee on Energy and Commerce.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4954

OFFERED BY MR. MANZULLO

AMENDMENT NO. 1: Amend section 1860C of the Social Security Act (as proposed to be inserted by section 101(a)(2))—

(1) in subsection (c)(1)(A), to read as follows:

''(A) IN GENERAL.—The PDP sponsor of the prescription drug plan shall enter into contracts with a sufficient number of pharmacies that dispense drugs directly to patients (in addition to any pharmacies that dispense drugs by mail order) to ensure convenient access for enrolled beneficiaries under standards established by regulations promulgated by the Administrator'';

(2) in subsection (c)(1), by adding at the end the following new subparagraph:

''(C) UNIFORM TERMS AND CONDITIONS.—The terms and conditions of the contracts entered into between PDP sponsors and each dispensing pharmacy described in this subsection must be identical.'';

(3) in subsection (d)(2)(D), by striking ''shall'' and all that follows and inserting ''shall establish fees, pursuant to standards established by regulations promulgated by the Administrator, for pharmacists and others providing services under this section on a fee-for-service basis taking into account the resources expended in providing the service.''; and

(4) by adding at the end the following new subsection:

''(h) PROHIBITION ON PRICE DISCRIMINATION WITHIN NETWORKS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, including under this title, all terms and conditions of sales, including wholesale lot prices and rebates (if any), between pharmaceutical manufacturers and dispensing pharmacies within the network established by each PDP sponsor under this section shall be identical.

''(2) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit a pharmaceutical manufacturer from establishing different terms and conditions for different networks.

''(3) REGULATIONS.—The Administrator shall promulgate regulations to implement this subsection.''.

At the end of title I, add the following new section:

SEC. 106. PROMULGATION AND JUDICIAL REVIEW OF RULES.

(a) PROMULGATION OF RULES.—Notwithstanding any other provision of law, within one year after the date of the enactment of this Act, the Medicare Benefits Administrator shall publish final rules in the Federal Register to implement this title in accordance with the notice and comment requirements of paragraphs (1), (2), and (3) of section 553(b) of title 5, United States Code, except that the Secretary shall promulgate regulations implementing subsections (c)(1)(A), (c)(1)(C) and (d)(2)(D) of section 1860C, as added by section 101(a)(2) within 120 days after enactment.

(b) INITIAL REGULATORY FLEXIBILITY ANALYSIS.—The Secretary, or the Medicare Benefits Administrator, shall prepare an initial regulatory flexibility analysis pursuant to section 603 of title 5, United States Code consistent with the following:

(1) Prior to the publication of the initial regulatory flexibility analysis, the Administrator shall notify the Chief Counsel for Advocacy of the Small Business Administration and provide the Chief Counsel with information on the potential impacts of the proposed rule on small entities and the type of small entities that might be affected.

(2) Not later than 15 days after the date of receipt of the information described in paragraph (1), the Chief Counsel shall identify individuals representative of affected small entities, but need not themselves be small entities, for the purposes of obtaining advice and recommendations from those individuals about the potential impacts of the proposed rule.

(3) The Medicare Benefits Administrator shall convene a review panel for such rule consisting wholly of full time Federal employees of the Small Business Administration, the Office of Information and Regulatory Affairs within the Office of Management and Budget, and the Chief Counsel.

(4) The panel created by paragraph (3) shall review any material the agency has prepared in preparation of the proposed rule, the draft proposed rule, and the initial regulatory flexibility analysis, collect advice and recommendations from the small entity representatives identified in paragraph (2) on issues related to the requirements of the initial regulatory flexibility analysis set forth in subsections (b) and (c) of section 603 of title 5, United States Code.

(5) Not later than 60 days after the date the Medicare Benefits Administrator convenes a review panel pursuant to paragraph (3), the reviewing panel shall report on the comments of the small entity representatives and its findings as to issues related to the initial regulatory flexibility analysis prepared pursuant to section 603 of title 5, United States Code, provided that such report shall be made public as part of the rulemaking record.

(6) Where appropriate, the Medicare Benefits Administrator shall modify the proposed rule, the initial regulatory flexibility analysis.

(7) After receipt of comments pursuant to paragraphs (1), (2), and (3) of section 553(b) of title 5, United States Code, the Medicare Benefits Administrator shall issue a final rule and shall prepare a final regulatory flexibility analysis pursuant to section 604 of title 5, United States Code.

(c) LIMITATION ON CHANGES TO RULES.—Notwithstanding any other provision of law, any amendment to the rules promulgated pursuant to this section and implementing this title shall only be issued after the opportunity for notice and comment as mandated by paragraphs (1), (2), and (3) of section 553(b) of title 5, United States Code.

(d) JUDICIAL REVIEW.—Notwithstanding any other provision of law, regulations promulgated under this shall be subject to review in the manner set forth in chapter of title 28, United States Code except that any party aggrieved shall file a petition for review within 30 days after publication of the final rule in the Federal Register. Any challenge, pursuant to section 610 of title 5, United States Code shall be consolidated with the petition for review set forth in this subsection.

H.R. 5010

OFFERED BY MR. BLUMENAUER

AMENDMENT NO. 1: In the item relating to ''RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE'', after the dollar amount, insert the following: ''(increased by $5,000,000)(reduced by $5,000,000)''.